FOREIGN AFFAIRS

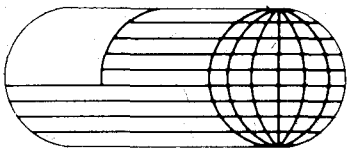
Winter 1985/86 ***$4.95 a copy***

Morality and Foreign Policy — *George F. Kennan*
What Went Wrong With Arms Control? — *Thomas C. Schelling*

SOUTH AFRICA
Why Constructive Engagement Failed
Sanford J. Ungar and *Peter Vale*

World Debt: The U.S. Reconsiders — *Christine A. Bogdanowicz-Bindert*
Peru: The Message From García — *Riordan Roett*
Mexico at the Brink — *Jorge G. Castañeda*
Arabs and Israelis: A Political Strategy — *Harold H. Saunders*
Nigeria Update — *Larry Diamond*
Poland: Four Years After
Jerzy Milewski, Krzysztof Pomian and *Jan Zielonka*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



AMERICAN

"It has clearly become part of the dialog about American foreign policy in this country." *John E. Rielly, President, The Chicago Council on Foreign Relations.* "...we in the Department of State are particularly conscious of its contribution to broad public understanding..." *John Hughes, Asst. Secy. of State.* "...a valuable contribution toward a better understanding of the many complex issues our nation faces today." *John Heinz, U.S. Senator, Pa.* "...under the astute direction of Mr. (Peter) Krogh, who is bent on elucidation, not aggravation..." *Walter Goodman, N.Y. Times.*

INTERESTS

A PUBLIC TELEVISION SERIES DEVOTED TO FOREIGN AFFAIRS

Check your local listings

EXXON

© 1985 Exxon Corporation

FOREIGN AFFAIRS (ISSN 00157120), Winter 1985/86. Vol. 64, No. 2. Published five times annually (September, December, February, April, June) at 58 East 68th Street, New York, N. Y. 10021. Subscriptions U.S. $25.00—Outside U.S. $32.00 per year. Second Class Postage paid at New York, N. Y. and at additional mailing offices. POSTMASTER: Send form 3579 to Neodata, P. O. Box 2615, Boulder, Colo. 80302.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS

WINTER 1985/86

Morality and Foreign Policy . . . . . *George F. Kennan* 205
What Went Wrong With Arms Control?
Thomas C. Schelling 219
South Africa: Why Constructive Engagement Failed
Sanford J. Ungar and *Peter Vale* 234
World Debt: The United States Reconsiders
Christine A. Bogdanowicz-Bindert 259
Peru: The Message From García . . . . . *Riordan Roett* 274
Mexico at the Brink . . . . . *Jorge G. Castañeda* 287
Arabs and Israelis: A Political Strategy
Harold H. Saunders 304
Nigeria Update . . . . . *Larry Diamond* 326
Poland: Four Years After
Jerzy Milewski, Krzysztof Pomian and *Jan Zielonka* 337
Recent Books on International Relations 360
Source Material 385

Foreign Affairs is published five times annually
by the Council on Foreign Relations, Inc.
Vol. 64, No. 2. © 1985

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WILLIAM G. HYLAND
Editor

PETER GROSE
Managing Editor

PETER HAYES
Assistant Editor

LINDA S. ROBINSON
Senior Assistant Editor

LUCY EDWARDS DESPARD
Book Editor

SHEILA G. BRILL
Assistant to the Editor

SARA E. ROBERTSON
Assistant Editor

MAE G. BENETT
Assistant to the Managing Editor

DORIS ELIZABETH FOLEST
Publisher

MARGARET K. KABLE
Circulation Manager

ELDRIDGE A. GREENING
Advertising Director

GEORGE FISHER
Book Advertising/Promotion

SUSANNAH L. SMITH
Assistant to the Publisher

KATHLEEN T. CALWAY
Advertising Assistant

SUSAN M. GREENE
Reprints and Permissions

Editorial Advisory Board

A. DOAK BARNETT
JAMES H. BILLINGTON
HARVEY BROOKS
HENRY GRUNWALD
PHILIP C. HABIB
JAMES HOGE
CARL KAYSEN
JOHN J. MCCLOY
HARRY C. MCPHERSON, JR.
WILLIAM M. ROTH
FRITZ STERN

The articles in Foreign Affairs *do not represent any consensus of beliefs. We do not expect that readers of the review will sympathize with all the sentiments they find there, for some of our writers will flatly disagree with others; but we hold that while keeping clear of mere vagaries* Foreign Affairs *can do more to inform American public opinion by a broad hospitality to divergent ideas than it can by identifying itself with one school. It does not accept responsibility for the views expressed in any article, signed or unsigned, which appears in its pages. What it does accept is the responsibility for giving them a chance to appear there.* The Editors.

Foreign Affairs is published five times annually by the Council on Foreign Relations, Inc. Editorial Offices: 58 East 68th Street, New York, N.Y. 10021. Telephone (212) 734-0400. Telex: 239852 CFR UR.

Manuscript submissions: The Editors will consider all manuscripts received, but assume no responsibility regarding them. Materials submitted will be returned only when accompanied by appropriate postage.

Subscriptions: Price for U.S. subscriptions, $25.00 per year; foreign, $32.00. Rates for air mail delivery are available upon request. To subscribe, write *Foreign Affairs*, P.O. Box 2615, Boulder, CO 80322, or call (212) 734-0400. For subscription problems, call (800) 525-0643.

Advertising: For rates and schedules, contact the Advertising Office (212) 734-0400. *Foreign Affairs* is a member of the Audit Bureau of Circulations and the Magazine Publishers Association.

Reprints and permissions: Write *Foreign Affairs*, Reader Services, 58 East 68th Street, New York, N.Y. 10021, or call (212) 734-0400.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

George F. Kennan

MORALITY AND FOREIGN POLICY

In a small volume of lectures published nearly thirty-five years ago,[1] I had the temerity to suggest that the American statesmen of the turn of the twentieth century were unduly legalistic and moralistic in their judgment of the actions of other governments. This seemed to be an approach that carried them away from the sterner requirements of political realism and caused their statements and actions, however impressive to the domestic political audience, to lose effectiveness in the international arena.

These observations were doubtless brought forward too cryptically and thus invited a wide variety of interpretations, not excluding the thesis that I had advocated an amoral, or even immoral, foreign policy for this country. There have since been demands, particularly from the younger generation, that I should make clearer my views on the relationship of moral considerations to American foreign policy. The challenge is a fair one and deserves a response.

II

Certain distinctions should be made before one wanders farther into this thicket of problems.

First of all, the conduct of diplomacy is the responsibility of governments. For purely practical reasons, this is unavoidable and inalterable. This responsibility is not diminished by the fact that government, in formulating foreign policy, may choose to be influenced by private opinion. What we are talking about, therefore, when we attempt to relate moral considerations to foreign policy, is the behavior of governments, not of individuals or entire peoples.

Second, let us recognize that the functions, commitments and moral obligations of governments are not the same as those

[1] *American Diplomacy 1900–1950*. Chicago: University of Chicago Press, 1951.

George F. Kennan is Professor Emeritus at the Institute for Advanced Study, Princeton. Copyright © 1985 by George F. Kennan.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the individual. Government is an agent, not a principal. Its primary obligation is to the *interests* of the national society it represents, not to the moral impulses that individual elements of that society may experience. No more than the attorney vis-à-vis the client, nor the doctor vis-à-vis the patient, can government attempt to insert itself into the consciences of those whose interests it represents.

Let me explain. The interests of the national society for which government has to concern itself are basically those of its military security, the integrity of its political life and the well-being of its people. These needs have no moral quality. They arise from the very existence of the national state in question and from the status of national sovereignty it enjoys. They are the unavoidable necessities of a national existence and therefore not subject to classification as either "good" or "bad." They may be questioned from a detached philosophic point of view. But the government of the sovereign state cannot make such judgments. When it accepts the responsibilities of governing, implicit in that acceptance is the assumption that it is right that the state should be sovereign, that the integrity of its political life should be assured, that its people should enjoy the blessings of military security, material prosperity and a reasonable opportunity for, as the Declaration of Independence put it, the pursuit of happiness. For these assumptions the government needs no moral justification, nor need it accept any moral reproach for acting on the basis of them.

This assertion assumes, however, that the concept of national security taken as the basis for governmental concern is one reasonably, not extravagantly, conceived. In an age of nuclear striking power, national security can never be more than relative; and to the extent that it can be assured at all, it must find its sanction in the intentions of rival powers as well as in their capabilities. A concept of national security that ignores this reality and, above all, one that fails to concede the same legitimacy to the security needs of others that it claims for its own, lays itself open to the same moral reproach from which, in normal circumstances, it would be immune.

Whoever looks thoughtfully at the present situation of the United States in particular will have to agree that to assure these blessings to the American people is a task of such dimensions that the government attempting to meet it successfully will have very little, if any, energy and attention left to devote

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to other undertakings, including those suggested by the moral impulses of these or those of its citizens.

Finally, let us note that there are no internationally accepted standards of morality to which the U.S. government could appeal if it wished to act in the name of moral principles. It is true that there are certain words and phrases sufficiently high-sounding the world over so that most governments, when asked to declare themselves for or against, will cheerfully subscribe to them, considering that such is their vagueness that the mere act of subscribing to them carries with it no danger of having one's freedom of action significantly impaired. To this category of pronouncements belong such documents as the Kellogg-Briand Pact, the Atlantic Charter, the Yalta Declaration on Liberated Europe, and the prologues of innumerable other international agreements.

Ever since Secretary of State John Hay staged a political coup in 1899 by summoning the supposedly wicked European powers to sign up to the lofty principles of his Open Door notes (principles which neither they nor we had any awkward intention of observing), American statesmen have had a fondness for hurling just such semantic challenges at their foreign counterparts, thereby placing themselves in a graceful posture before domestic American opinion and reaping whatever political fruits are to be derived from the somewhat grudging and embarrassed responses these challenges evoke.

To say these things, I know, is to invite the question: how about the Helsinki accords of 1975? These, of course, were numerous and varied. There is no disposition here to question the value of many of them as refinements of the norms of international intercourse. But there were some, particularly those related to human rights, which it is hard to relegate to any category other than that of the high-minded but innocuous professions just referred to. These accords were declaratory in nature, not contractual. The very general terms in which they were drawn up, involving the use of words and phrases that had different meanings for different people, deprived them of the character of specific obligations to which signatory governments could usefully be held. The Western statesmen who pressed for Soviet adherence to these pronouncements must have been aware that some of them could not be implemented on the Soviet side, within the meanings we would normally attach to their workings, without fundamental changes in the Soviet system of power—changes we had no reason to expect

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would, or could, be introduced by the men then in power. Whether it is morally commendable to induce others to sign up to declarations, however high-minded in resonance, which one knows will not and cannot be implemented, is a reasonable question. The Western negotiators, in any case, had no reason to plead naïveté as their excuse for doing so.

When we talk about the application of moral standards to foreign policy, therefore, we are not talking about compliance with some clear and generally accepted international code of behavior. If the policies and actions of the U.S. government are to be made to conform to moral standards, those standards are going to have to be America's own, founded on traditional American principles of justice and propriety. When others fail to conform to those principles, and when their failure to conform has an adverse effect on American *interests*, as distinct from political tastes, we have every right to complain and, if necessary, to take retaliatory action. What we cannot do is to assume that our moral standards are theirs as well, and to appeal to those standards as the source of our grievances.

III

So much for basic principles. Let us now consider some categories of action that the U.S. government is frequently asked to take, and sometimes does take, in the name of moral principle.

These actions fall into two broad general categories: those that relate to the behavior of other governments that we find morally unacceptable, and those that relate to the behavior of our own government. Let us take them in that order.

There have been many instances, particularly in recent years, when the U.S. government has taken umbrage at the behavior of other governments on grounds that at least implied moral criteria for judgment, and in some of these instances the verbal protests have been reinforced by more tangible means of pressure. These various interventions have marched, so to speak, under a number of banners: democracy, human rights, majority rule, fidelity to treaties, fidelity to the U.N. Charter, and so on. Their targets have sometimes been the external policies and actions of the offending states, more often the internal practices. The interventions have served, in the eyes of their American inspirers, as demonstrations not only of the moral deficiencies of others but of the positive morality of ourselves; for it was seen as our moral duty to detect these

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lapses on the part of others, to denounce them before the world, and to assure—as far as we could with measures short of military action—that they were corrected.

Those who have inspired or initiated efforts of this nature would certainly have claimed to be acting in the name of moral principle, and in many instances they would no doubt have been sincere in doing so. But whether the results of this inspiration, like those of so many other good intentions, would justify this claim is questionable from a number of standpoints.

Let us take first those of our interventions that relate to internal practices of the offending governments. Let us reflect for a moment on how these interventions appear in the eyes of the governments in question and of many outsiders.

The situations that arouse our discontent are ones existing, as a rule, far from our own shores. Few of us can profess to be perfect judges of their rights and their wrongs. These are, for the governments in question, matters of internal affairs. It is customary for governments to resent interference by outside powers in affairs of this nature, and if our diplomatic history is any indication, we ourselves are not above resenting and resisting it when we find ourselves its object.

Interventions of this nature can be formally defensible only if the practices against which they are directed are seriously injurious to our interests, rather than just our sensibilities. There will, of course, be those readers who will argue that the encouragement and promotion of democracy elsewhere is always in the interests of the security, political integrity and prosperity of the United States. If this can be demonstrated in a given instance, well and good. But it is not invariably the case. Democracy is a loose term. Many varieties of folly and injustice contrive to masquerade under this designation. The mere fact that a country acquires the trappings of self-government does not automatically mean that the interests of the United States are thereby furthered. There are forms of plebiscitary "democracy" that may well prove less favorable to American interests than a wise and benevolent authoritarianism. There can be tyrannies of a majority as well as tyrannies of a minority, with the one hardly less odious than the other. Hitler came into power (albeit under highly unusual circumstances) with an electoral mandate, and there is scarcely a dictatorship of this age that would not claim the legitimacy of mass support.

There are parts of the world where the main requirement

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of American security is not an unnatural imitation of the American model but sheer stability, and this last is not always assured by a government of what appears to be popular acclaim. In approaching this question, Americans must overcome their tendency toward generalization and learn to examine each case on its own merits. The best measure of these merits is not the attractiveness of certain general semantic symbols but the effect of the given situation on the tangible and demonstrable interests of the United States.

Furthermore, while we are quick to allege that this or that practice in a foreign country is bad and deserves correction, seldom if ever do we seem to occupy ourselves seriously or realistically with the conceivable alternatives. It seems seldom to occur to us that even if a given situation is bad, the alternatives to it might be worse—even though history provides plenty of examples of just this phenomenon. In the eyes of many Americans it is enough for us to indicate the changes that ought, as we see it, to be made. We assume, of course, that the consequences will be benign and happy ones. But this is not always assured. It is, in any case, not we who are going to have to live with those consequences: it is the offending government and its people. We are demanding, in effect, a species of veto power over those of their practices that we dislike, while denying responsibility for whatever may flow from the acceptance of our demands.

Finally, we might note that our government, in raising such demands, is frequently responding not to its own moral impulses or to any wide general movements of American opinion but rather to pressures generated by politically influential minority elements among us that have some special interest—ethnic, racial, religious, ideological or several of these together—in the foreign situation in question. Sometimes it is the sympathies of these minorities that are most prominently aroused, sometimes their antipathies. But in view of this diversity of motive, the U.S. government, in responding to such pressures and making itself their spokesman, seldom acts consistently. Practices or policies that arouse our official displeasure in one country are cheerfully condoned or ignored in another. What is bad in the behavior of our opponents is good, or at least acceptable, in the case of our friends. What is unobjectionable to us at one period of our history is seen as offensive in another.

This is unfortunate, for a lack of consistency implies a lack

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of principle in the eyes of much of the world; whereas morality, if not principled, is not really morality. Foreigners, observing these anomalies, may be forgiven for suspecting that what passes as the product of moral inspiration in the rhetoric of our government is more likely to be a fair reflection of the mosaic of residual ethnic loyalties and passions that make themselves felt in the rough and tumble of our political life.

Similar things could be said when it is not the internal practices of the offending government but its actions on the international scene that are at issue. There is, here, the same reluctance to occupy one's self with the conceivable alternatives to the procedures one complains about or with the consequences likely to flow from the acceptance of one's demands. And there is frequently the same lack of consistency in the reaction. The Soviet action in Afghanistan, for example, is condemned, resented and responded to by sanctions. One recalls little of such reaction in the case of the somewhat similar, and apparently no less drastic, action taken by China in Tibet some years ago. The question inevitably arises: is it principle that determines our reaction? Or are there other motives?

Where measures taken by foreign governments affect adversely American interests rather than just American moral sensibilities, protests and retaliation are obviously in order; but then they should be carried forward frankly for what they are, and not allowed to masquerade under the mantle of moral principle.

There will be a tendency, I know, on the part of some readers to see in these observations an apology for the various situations, both domestic and international, against which we have protested and acted in the past. They are not meant to have any such connotations. These words are being written—for whatever this is worth—by one who regards the action in Afghanistan as a grievous and reprehensible mistake of Soviet policy, a mistake that could and should certainly have been avoided. Certain of the procedures of the South African police have been no less odious to me than to many others.

What is being said here does not relate to the reactions of individual Americans, of private organizations in this country, or of the media, to the situations in question. All these may think and say what they like. It relates to the reactions of the U.S. government, as a government among governments, and to the motivation cited for those reactions. Democracy, as Americans understand it, is not necessarily the future of all

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mankind, nor is it the duty of the U.S. government to assure that it becomes that. Despite frequent assertions to the contrary, not everyone in this world is responsible, after all, for the actions of everyone else, everywhere. Without the power to compel change, there is no responsibility for its absence. In the case of governments it is important for purely practical reasons that the lines of responsibility be kept straight, and that there be, in particular, a clear association of the power to act with the consequences of action or inaction.

IV

If, then, the criticism and reproof of perceived moral lapses in the conduct of others are at best a dubious way of expressing our moral commitment, how about our own policies and actions? Here, at least, the connection between power and responsibility—between the sowing and the reaping—is integral. Can it be true that here, too, there is no room for the application of moral principle and that all must be left to the workings of expediency, national egoism and cynicism?

The answer, of course, is no, but the possibilities that exist are only too often ones that run against the grain of powerful tendencies and reflexes in our political establishment.

In a less than perfect world, where the ideal so obviously lies beyond human reach, it is natural that the avoidance of the worst should often be a more practical undertaking than the achievement of the best, and that some of the strongest imperatives of moral conduct should be ones of a negative rather than a positive nature. The strictures of the Ten Commandments are perhaps the best illustration of this state of affairs. This being the case, it is not surprising that some of the most significant possibilities for the observance of moral considerations in American foreign policy relate to the avoidance of actions that have a negative moral significance, rather than to those from which positive results are to be expected.

Many of these possibilities lie in the intuitive qualities of diplomacy—such things as the methodology, manners, style, restraint and elevation of diplomatic discourse—and they can be illustrated only on the basis of a multitude of minor practical examples, for which this article is not the place. There are, however, two negative considerations that deserve mention here.

The first of these relates to the avoidance of what might be called the histrionics of moralism at the expense of its sub-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stance. By that is meant the projection of attitudes, poses and rhetoric that cause us to appear noble and altruistic in the mirror of our own vanity but lack substance when related to the realities of international life. It is a sad feature of the human predicament, in personal as in public life, that whenever one has the agreeable sensation of being impressively moral, one probably is not. What one does without self-consciousness or self-admiration, as a matter of duty or common decency, is apt to be closer to the real thing.

The second of these negative considerations pertains to something commonly called secret operations—a branch of governmental activity closely connected with, but not to be confused with, secret intelligence.

Earlier in this century the great secular despotisms headed by Hitler and Stalin introduced into the pattern of their interaction with other governments' clandestine methods of operation that can only be described as ones of unbridled cynicism, audacity and brutality. These were expressed not only by a total lack of scruple on their own part but also by a boundless contempt for the countries against which these efforts were directed (and, one feels, a certain contempt for themselves as well). This was in essence not new, of course; the relations among the nation-states of earlier centuries abounded in examples of clandestine iniquities of every conceivable variety. But these were usually moderated in practice by a greater underlying sense of humanity and a greater respect for at least the outward decencies of national power. Seldom was their intent so cynically destructive, and never was their scale remotely so great, as some of the efforts we have witnessed in this century.

In recent years these undertakings have been supplemented, in their effects on the Western public, by a wholly different phenomenon arising in a wholly different quarter: namely, the unrestrained personal terrorism that has been employed by certain governments or political movements on the fringes of Europe as well as by radical-criminal elements within Western society itself. These phenomena have represented, at different times, serious challenges to the security of nearly all Western countries. It is not surprising, therefore, that among the reactions evoked has been a demand that fire should be fought with fire, that the countries threatened by efforts of this nature should respond with similar efforts.

No one will deny that resistance to these attacks requires

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

secret intelligence of a superior quality and a severe ruthlessness of punishment wherever they fall afoul of the judicial systems of the countries against which they are directed. It is not intended here to comment in any way on the means by which they might or should be opposed by countries other than the United States. Nor is it intended to suggest that any of these activities that carry into this country should not be met by anything less than the full rigor of the law. On the contrary, one could wish the laws were even more rigorous in this respect. But when it comes to governmental operations—or disguised operations—beyond our borders, we Americans have a problem.

In the years immediately following the Second World War the practices of the Stalin regime in this respect were so far-reaching, and presented so great an apparent danger to a Western Europe still weakened by the vicissitudes of war, that our government felt itself justified in setting up facilities for clandestine defensive operations of its own; all available evidence suggests that it has since conducted a number of activities under this heading. As one of those who, at the time, favored the decision to set up such facilities, I regret today, in light of the experience of the intervening years, that the decision was taken. Operations of this nature are not in character for this country. They do not accord with its traditions or with its established procedures of government. The effort to conduct them involves dilemmas and situations of moral ambiguity in which the American statesman is deprived of principled guidance and loses a sense of what is fitting and what is not. Excessive secrecy, duplicity and clandestine skulduggery are simply not our dish—not only because we are incapable of keeping a secret anyway (our commercial media of communication see to that) but, more importantly, because such operations conflict with our own traditional standards and compromise our diplomacy in other areas.

One must not be dogmatic about such matters, of course. Foreign policy is too intricate a topic to suffer any total taboos. There may be rare moments when a secret operation appears indispensable. A striking example of this was the action of the United States in apprehending the kidnappers of the *Achille Lauro*. But such operations should not be allowed to become a regular and routine feature of the governmental process, cast in the concrete of unquestioned habit and institutionalized bureaucracy. It is there that the dangers lie.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

One may say that to deny ourselves this species of capability is to accept a serious limitation on our ability to contend with forces now directed against us. Perhaps; but if so, it is a limitation with which we shall have to live. The success of our diplomacy has always depended, and will continue to depend, on its inherent honesty and openness of purpose and on the forthrightness with which it is carried out. Deprive us of that and we are deprived of our strongest armor and our most effective weapon. If this is a limitation, it is one that reflects no discredit on us. We may accept it in good conscience, for in national as in personal affairs the acceptance of one's limitations is surely one of the first marks of a true morality.

V

So much, then, for the negative imperatives. When we turn to the positive ones there are, again, two that stand out.

The first of them is closely connected with what has just been observed about the acceptance of one's limitations. It relates to the duty of bringing one's commitments and undertakings into a reasonable relationship with one's real possibilities for acting upon the international environment. This is not by any means just a question of military strength, and particularly not of the purely destructive and ultimately self-destructive sort of strength to be found in the nuclear weapon. It is not entirely, or even mainly, a question of foreign policy. It is a duty that requires the shaping of one's society in such a manner that one has maximum control over one's own resources and maximum ability to employ them effectively when they are needed for the advancement of the national interest and the interests of world peace.

A country that has a budgetary deficit and an adverse trade balance both so fantastically high that it is rapidly changing from a major creditor to a major debtor on the world's exchanges, a country whose own enormous internal indebtedness has been permitted to double in less than six years, a country that has permitted its military expenditures to grow so badly out of relationship to the other needs of its economy and so extensively out of reach of political control that the annual spending of hundreds of billions of dollars on "defense" has developed into a national addiction—a country that, in short, has allowed its financial and material affairs to drift into such disorder, is so obviously living beyond its means, and confesses itself unable to live otherwise—is simply not in a position to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

make the most effective use of its own resources on the international scene, because they are so largely out of its control.

This situation must be understood in relationship to the exorbitant dreams and aspirations of world influence, if not world hegemony—the feeling that we must have the solution to everyone's problems and a finger in every pie—that continue to figure in the assumptions underlying so many American reactions in matters of foreign policy. It must also be understood that in world affairs, as in personal life, example exerts a greater power than precept. A first step along the path of morality would be the frank recognition of the immense gap between what we dream of doing and what we really have to offer, and a resolve, conceived in all humility, to take ourselves under control and to establish a better relationship between our undertakings and our real capabilities.

The second major positive imperative is one that also involves the husbanding and effective use of resources, but it is essentially one of purpose and policy.

Except perhaps in some sectors of American government and opinion, there are few thoughtful people who would not agree that our world is at present faced with two unprecedented and supreme dangers. One is the danger not just of nuclear war but of any major war at all among great industrial powers—an exercise which modern technology has now made suicidal all around. The other is the devastating effect of modern industrialization and overpopulation on the world's natural environment. The one threatens the destruction of civilization through the recklessness and selfishness of its military rivalries, the other through the massive abuse of its natural habitat. Both are relatively new problems, for the solution of which past experience affords little guidance. Both are urgent. The problems of political misgovernment, to which so much of our thinking about moral values has recently related, is as old as the human species itself. It is a problem that will not be solved in our time, and need not be. But the environmental and nuclear crises will brook no delay.

The need for giving priority to the averting of these two overriding dangers has a purely rational basis—a basis in national interest—quite aside from morality. For short of a nuclear war, the worst that our Soviet rivals could do to us, even in our wildest worst-case imaginings, would be a far smaller tragedy than that which would assuredly confront us (and if not us, then our children) if we failed to face up to these

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

two apocalyptic dangers in good time. But is there not also a moral component to this necessity?

Of all the multitudinous celestial bodies of which we have knowledge, our own earth seems to be the only one even remotely so richly endowed with the resources that make possible human life—not only make it possible but surround it with so much natural beauty and healthfulness and magnificence. And to the degree that man has distanced himself from the other animals in such things as self-knowledge, historical awareness and the capacity for creating great beauty (along, alas, with great ugliness), we have to recognize a further mystery, similar to that of the unique endowment of the planet—a mystery that seems to surpass the possibilities of the purely accidental. Is there not, whatever the nature of one's particular God, an element of sacrilege involved in the placing of all this at stake just for the sake of the comforts, the fears and the national rivalries of a single generation? Is there not a moral obligation to recognize in this very uniqueness of the habitat and nature of man the greatest of our moral responsibilities, and to make of ourselves, in our national personification, its guardians and protectors rather than its destroyers?

This, it may be objected, is a religious question, not a moral-political one. True enough, if one will. But the objection invites the further question as to whether there is any such thing as morality that does not rest, consciously or otherwise, on some foundation of religious faith, for the renunciation of self-interest, which is what all morality implies, can never be rationalized by purely secular and materialistic considerations.

VI

The above are only a few random reflections on the great question to which this paper is addressed. But they would seem to suggest, in their entirety, the outlines of an American foreign policy to which moral standards could be more suitably and naturally applied than to that policy which we are conducting today. This would be a policy founded on recognition of the national interest, reasonably conceived, as the legitimate motivation for a large portion of the nation's behavior, and prepared to pursue that interest without either moral pretension or apology. It would be a policy that would seek the possibilities for service to morality primarily in our own behavior, not in our judgment of others. It would restrict our undertakings to the limits established by our own traditions

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and resources. It would see virtue in our minding our own business wherever there is not some overwhelming reason for minding the business of others. Priority would be given, here, not to the reforming of others but to the averting of the two apocalyptic catastrophes that now hover over the horizons of mankind.

But at the heart of this policy would lie the effort to distinguish at all times between the true substance and the mere appearance of moral behavior. In an age when a number of influences, including the limitations of the electronic media, the widespread substitution of pictorial representation for verbal communication, and the ubiquitous devices of "public relations" and electoral politics, all tend to exalt the image over the essential reality to which that image is taken to relate—in such an age there is a real danger that we may lose altogether our ability to distinguish between the real and the unreal, and, in doing so, lose both the credibility of true moral behavior and the great force such behavior is, admittedly, capable of exerting. To do this would be foolish, unnecessary and self-defeating. There may have been times when the United States could afford such frivolity. This present age, unfortunately, is not one of them.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Thomas C. Schelling

WHAT WENT WRONG WITH ARMS CONTROL?

Arms control has certainly gone off the tracks. For several years what are called arms negotiations have been mostly a public exchange of accusations; and it often looks as if it is the arms negotiations that are driving the arms race. It is hard to escape the impression that the planned procurement of 50 MX missiles (at latest count) has been an obligation imposed by a doctrine that the end justifies the means—the end something called arms control, and the means a demonstration that the United States does not lack the determination to match or exceed the Soviets in every category of weapons.

Despite the inflamed rhetoric on strategic weapons, there has not been much substance behind the ill will that followed détente. Nobody seriously believes that either side's capacity to retaliate after receiving a nuclear attack is, or is going to be, in sufficient doubt to make preemption a preferred choice in any imaginable crisis. Détente survived a U.S. war against an ally of the Soviet Union in Southeast Asia; it did not survive the Soviet war against Afghanistan. But the reprisals were mostly attempts to deny athletes, bread grains and pipeline equipment to the Soviet Union; one attempt failed and a second was reversed for the benefit of American farmers.

Poland became an issue, but of all the possible Soviet responses to an unacceptable condition in Poland the one that ensued was the gentlest that anyone could have seriously contemplated.

Furthermore, we have what ought to be an important source of reassurance, a "confidence-building" experience: 40 years of nuclear weapons without nuclear war. That certainly challenges any notion that nuclear war is inevitable. This is a reassurance that some advocates of disarmament do not like to have voiced, fearful that it might lead to complacency. But I

Thomas C. Schelling is Lucius N. Littauer Professor of Political Economy at the John F. Kennedy School of Government, Harvard University. This article is adapted from a presentation at the Nobel Symposium 1985, *The Study of War and Peace—Perspectives on Present Knowledge and Research.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

want national leaders in a crisis to be complacent in the knowledge that nuclear war is so unlikely that initiating it is never prudent.

I see no reason to believe, as the Palme Commission concluded two years ago, that the threat of nuclear war is more ominous today than it has been for many years. I know of no way to reassure people who disagree, but there is no prudential wisdom in exaggerating the danger of nuclear war by an order of magnitude, as both sides of the political spectrum in this country have been doing for half a dozen years.

With those remarks as prelude, what follows is my interpretation of what has happened to strategic arms control over the past 30 years. I shall argue that the thinking on arms control was on the right track, and was effective, from the late 1950s to the early 1970s, culminating in the Anti-Ballistic Missile Treaty of 1972, but that things have derailed since. Maybe that loss of direction was natural and expectable, even inevitable. Even so, it is worth examining what went wrong.

II

The modern era of strategic arms control dates from the late 1950s. In 1957 the Gaither Committee examined the adequacy of U.S. strategic weapons and their deployment, and became alarmed at the vulnerability of the retaliatory force to surprise attack. Bombers were clustered, unprotected, on a few bases. Studies showed that Soviet bombers, too few to be identified by the Distant Early Warning Line, might be sufficient to destroy or disable our fragile aircraft, eliminating the prospect of the reprisal that was supposed to deter the attack in the first place. Announcement in 1957 of a Soviet flight test of an ICBM precursor further dramatized the vulnerability of a retaliatory force that offered only a small number of soft targets. The seriousness of bomber vulnerability was evidenced by the limited airborne alert during the last years of the Eisenhower Administration maintained to keep at least a small force safely in the air at all times.

It was agreed by President Eisenhower and Secretary Khrushchev that East-West talks on "measures to safeguard against surprise attack" should take place in the fall of 1958. It was not clear what they had in mind, but with a commitment to negotiations, the U.S. government had to collect its thoughts. A high-level group of officials met regularly and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ultimately educated itself that a surprise attack was the central problem of strategic-force vulnerability.

The Geneva negotiations were to involve five participants from the West and five from the East; representatives of Canada, Great Britain, France and the Federal Republic of Germany gathered in Washington in the fall of 1958. By the time the team went to Geneva, after a few weeks of discussion in Washington, strategic-retaliatory-force vulnerability had been identified as the surprise-attack problem, and indeed as *the* problem of nuclear war.[1]

Nothing came of the negotiations on surprise attack (November-December 1958). But the occasion was crucial in identifying what was to become pivotal in arms negotiations for the next decade and, more important, in the design of strategic forces.

The large, above-ground, soft, slow-to-fuel Atlas missile was abandoned in favor of a new ICBM (intercontinental ballistic missile), dubbed Minuteman for its ability to fly instantly on warning. The navy's strategic future was assured with the development of the untargetable Polaris submarine. Secure, survivable forces were identified with what came to be called "strategic stability." Thus, in the event, the vulnerability problem was temporarily solved by unilateral action without any boost from arms control.

The idea that both sides could favor each other's strategic-force security was dramatized by Secretary of Defense Robert McNamara's testimony to Congress that he would prefer the Soviet Union to invest in secure, hardened underground missile silos, rather than soft sites above ground, because the latter both invited and threatened preemptive attack while the former would encourage patience in a crisis.

Two technological developments of the 1960s came to endanger this strategic-force stability: one was ABM, the other MIRV. Antiballistic missiles at that time were thought of primarily as for area defense of populations, not for point defense of military targets, and were seen as potentially destabilizing. What was worrisome was that ABMs might offer a strong

[1] An intellectual milestone was the publication of Albert Wohlstetter's "The Delicate Balance of Terror" in *Foreign Affairs*, January 1959. It had been available in manuscript to the Surprise Attack Team. My own "Surprise Attack and Disarmament," published in December in the *Bulletin of the Atomic Scientists* that same year, explicitly identifying arms control with reciprocally reduced strategic-force vulnerability, came out of those preparations for the Geneva negotiations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

advantage to a first strike. The idea was that ABMs might work better when alert than when taken by surprise, might work poorly against a prepared attack but well against a damaged retaliatory force.

There was also the prospect that burgeoning defenses would require indefinite enlargement of the retaliatory force. Thus ABM systems deployed in both countries would make preemptive war more likely and the arms race more expensive. It was this conviction that led the Johnson Administration in 1966 to propose negotiations to forestall deployment of ballistic missile defenses.

The ABM treaty signed in 1972 had one characteristic that was incompatible with its philosophy but was probably a political necessity. The treaty was intended to preserve the efficacy of retaliatory forces by keeping them from being degraded by enemy defenses. Human and economic resources were hostages to be left unprotected. But ballistic missile defenses could also be used to protect military hard targets, indeed were generally thought superior in that mode of deployment. Land-based, fixed-site missiles were difficult and expensive to protect passively, by hardening or dispersing silos, while active defenses might have been cost-effective and compatible with the philosophy of the treaty, as long as there was a clear distinction between the technology of defending military targets and that of the forbidden defense of human resources. (This was acknowledged in the treaty provision allowing a very limited local active defense, a provision that in the end the United States chose not to take advantage of.)

I have always supposed that the disallowance of local hard-point defense was partly due to the difficulty of guarding against upgrading, either surreptitiously or upon abrogation of the treaty, but also partly for political simplicity. It might have been hard to convince the American public, which had its own reasons for disliking an ABM system, that exceptions should be made for air force assets but not for people.

The other development of the 1960s that threatened stability was the multiple independently targetable reentry vehicle (MIRV). A missile with ten independently targetable warheads is a replica of an air base with ten aircraft. If it takes one weapon to destroy ten weapons (or two or three to destroy them with confidence), MIRVed but targetable forces equal in size are reciprocally vulnerable to an attack by only a fraction of an enemy's force. (For retaliatory forces that cannot be

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

targeted, things that are hidden or mobile and cannot be found on short notice, the MIRV is merely an economical way of packaging warheads.)

There was no serious effort to constrain MIRVs until many years after a ban on ABMs became an objective in the Johnson Administration. The SALT II treaty signed in 1979 attempted to limit not only numbers of missiles but numbers allowed to be MIRVed.

That 15-year period from 1957 to 1972 is a remarkable story of intellectual achievement transformed into policy. Three books appeared in 1961 that epitomized an emerging consensus on what strategic arms control should be about. Each was a group effort, and each stimulated discussion even while being written. During the summer of 1960, Hedley Bull's manuscript, *The Control of the Arms Race*,[2] was circulated by the Institute for Strategic Studies in preparation for that institute's second annual conference. That same summer a study group met on the outskirts of Boston, and Morton H. Halperin and I produced a little book, discussed at numerous meetings of the Harvard-MIT Faculty Seminar on Arms Control during the fall of 1960, reflecting what we took to be a consensus, one that was wholly consistent with the ideas that developed around Hedley Bull's manuscript at the ISS.[3] And in the spring of 1960, Donald G. Brennan organized a conference that generated *Arms Control, Disarmament, and National Security*.[4]

Together those efforts were an intellectual achievement; a number of participants in the Harvard-MIT seminar took positions in the Kennedy White House, Department of State and Department of Defense; others from RAND and elsewhere, who had been part of this intellectual movement, moved into the government as well. So it is not completely surprising that those ideas became the basis for U.S. policy and were ultimately implemented in the ABM treaty. I consider that culmination of 15 years of progress not merely the high point but the end point of successful arms control.[5]

[2] London: The Bradbury Agnew Press Ltd., 1961.

[3] Thomas C. Schelling and Morton H. Halperin, *Strategy and Arms Control*, New York: The Twentieth Century Fund, Inc., 1961, and reissued as a Pergamon-Brassey Classic, 1985.

[4] New York: George Braziller, 1961.

[5] Others would tell the story with more attention to the nuclear test treaty in 1963 or the nuclear nonproliferation treaty signed in 1969 and ratified in 1970. They were indeed important achievements but independent of strategic-forces development.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

III

Since 1972, the control of strategic weapons has made little or no progress, and the effort on our side has not seemed to be informed by any coherent theory of what arms control is supposed to accomplish. Maybe right now there is nothing it can accomplish. But there has been retrogression in the doctrine.

A qualification needs to be added to this judgment that nothing constructive has happened. The five-year interim agreement governing offensive weapons that was part of the 1972 SALT I package was succeeded by the SALT II treaty of 1979, which was still unratified at the invasion of Afghanistan and never had a chance after that. Both sides have so far avoided going expressly beyond the limits contained in that treaty even though it has no formal standing. This is a powerful demonstration that restraints can be reciprocated without formal obligation.

One development since 1972 has been a hardening of the belief among diplomats and the public that arms control has to be embedded in treaties. In the 1960s, I used to believe that a tacit understanding might be arrived at regarding ballistic missile defenses: namely, that the United States would have to proceed at full speed unless the Soviets stopped in their tracks, but the United States would happily forego the cost of building an ABM system if the Russians put a stop to theirs. I saw no advantage in a treaty. I later came to believe that the advantage of the treaty was to put the quietus on ABM in this country, especially in the Congress. But reciprocated restraint may often be as good as formal negotiations and treaties, sometimes better. This idea was better understood up until a dozen years ago than it has been since.[6]

Let me illustrate how something that deserves to be identified as arms control can come about informally and even without being recognized as arms control by the participants. This is the apparent understanding that a war in Europe should be kept non-nuclear if possible, and that reciprocated efforts should be made to ensure this. Secretary McNamara began an aggressive campaign for building up conventional defenses in Europe on the grounds that nuclear weapons certainly should

[6] Kenneth L. Adelman, Director of the Arms Control and Disarmament Agency, has resurrected the notion that not all arms restraint has to be formalized. "Arms Control With and Without Agreements," *Foreign Affairs*, Winter 1984/85, pp. 240–263.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

not be used and possibly would not be used. (The no-first-use idea emerged later as a reflection of this same principle.) Throughout the 1960s, however, the official Soviet line was to deny the possibility of a non-nuclear engagement in Europe, even to deny that any nuclear war could be kept limited.

Yet the Soviets have spent enormous amounts of money developing non-nuclear capabilities in Europe, especially aircraft capable of delivering conventional weapons. This capability is not only expensive but utterly useless in the event of any war that is nuclear from the outset. It can only reflect a tacit Soviet acknowledgment that both sides are capable of non-nuclear war and interested in keeping war non-nuclear.

If "arms control" includes expensive restraints on the potential *use* of weapons as well as on their deployment, this reciprocated investment in non-nuclear capability has to be considered a remarkable instance of unacknowledged but reciprocated arms restraint. And it reminds us that the inhibitions on "first use" may be just as strong without declarations as with them.

IV

Until the emergence of a Strategic Defense Initiative (SDI) in 1983, for the last 13 years the focus of arms control has been on offensive weapons. I judge the proposals and negotiations on offensive weapons to have been mostly mindless, without a guiding philosophy. What guiding philosophy there used to be has got lost along the way.

The main difference between pre-1971 and post-1972 arms negotiations has been the shift of interest from the *character* of weapons to their *numbers*. In the United States this is the common interest that has joined left and right, leaving almost no room in between. The proposals of the Carter and Reagan Administrations have been for reduced numbers of offensive weapons. Simultaneously, the *programs* of the Carter and Reagan Administrations have been to match numbers. (This is matching in each category of weapons, not merely in some aggregate index of firepower.) Sophisticates in the freeze movement might talk privately about first-strike or second-strike weapons, about vulnerability and survivability, but the simple public goal has been freezing numbers and looking toward reduction. The last two administrations have been intent on matching hard-target capabilities, number for number, almost without regard to whether denying strategic-weapon targets to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the enemy—such as deploying untargetable weapons—was a superior alternative to matching hard-target capability.

Thus there are two points to discuss: the interest that everybody claims in ultimately reducing numbers through arms control, and the interest in matching enemy capabilities whether we like them or not.

On the "arms control" interest in reducing numbers, nobody ever offers a convincing reason for preferring smaller numbers. (I may exaggerate: saving money is a legitimate reason, and whether or not smaller numbers would cost less, people may be excused for thinking so.) And some people think that with fewer weapons there is less likelihood that one will fall into mischievous hands or be launched by mechanical error; this I think is incorrect, but may not be worth refuting because it is no one's main motivation. For the most part, people simply think that smaller numbers are better than bigger ones. Those who believe we already have ten times what we need never explain why having merely five times as many should look better. If people really believe that zero is the ultimate goal it is easy to see that downward is the direction they should go. But hardly anyone who takes arms control seriously believes that zero is the goal.

Furthermore, political and even professional discussion, to say nothing of editorial and popular discussion, has great difficulty in deciding which numbers matter. It is surprising how few people who concern themselves seriously with arms control are aware that the sheer explosive energy in American strategic weapons, the megatonnage of alert warheads, was several times greater 20 years ago than it is now. Not that gross megatonnage is the important measure; my point is merely that this is not an uninteresting fact, and people who are unacquainted with it may be people who really do not know (or do not care) what numbers they ought to be interested in.

In 1963 Lieutenant-General (then Colonel) Glenn Kent, of the United States Air Force, published an Occasional Paper of the Harvard Center for International Affairs in which he looked at the following question: if we were to have a limit of some kind on strategic missiles, what would be the most sensible limit?[7] He argued that we should want both sides to be free to proliferate weapons in whatever dimension would reduce their

[7] *On the Interaction of Opposing Forces Under Possible Arms Agreements*, Cambridge: Harvard University Center for International Affairs, 1963.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

own vulnerability, but without increasing the other side's vulnerability. In those days missile accuracies were poor and megatonnage mattered more than today; big explosives, however, were less efficient than small ones because the lethal area was less than proportionate to the yield of the individual bomb or warhead. Kent concluded that the correct magnitude to limit was the sum of the lethal areas covered by all the warheads in the inventory; this would be calculated by using the two-thirds power of the yield of each weapon. In this formula, each party would then be free to proliferate smaller and smaller warheads on more and more missiles, thus becoming less and less vulnerable without acquiring any more preemptive attack capability. He further calculated that the weight-to-yield ratio went up as warheads got smaller, that the weight of the warheads would be roughly proportionate to the two-thirds power of the yields, and that no matter how many warheads were on a given missile, the physical volume of the missile would be approximately proportionate to that calculated index of lethality. And you could calculate the volume by looking at a missile from a distance, so monitoring would be easy.

Kent's specific formula may be somewhat obsolete technologically, but its virtue remains relevant; it attempts to answer the question, if you were to limit something, what would you want to limit?

The point of recalling Kent's investigation is that his question does not get the attention it deserves. In a very crude way, drawing a distinction between multiple- and single-warhead weapons moves in that direction; the Scowcroft Commission's advertisement for a single-warhead missile (Midgetman) to substitute ultimately for the MIRVed MX reflects a tardy and halting return to some inexplicit criterion in the spirit of Kent's proposal.

The SALT process tends to deal not only with numbers but with numbers in fixed categories. And the categories relate to things like land, sea and air, not strategic characteristics like susceptibility to preemption or capability for preemption, nor even relevant ingredients like warheads per target point, readiness, speed of delivery, accuracy or recallability after launch. The result has been that as fixed-site ground-based missiles have become more and more susceptible to successful attack (unless fired on warning), and as the SALT limits on MIRVed missiles invite building up to those limits, the process has moved exactly opposite to the direction that Kent pointed to.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

What has been lost is the earlier emphasis on the *character* of weapons, and what has taken its place is emphasis on *numbers*, and specifically numbers within *fixed categories*, categories having nothing to do with the weapon characteristics that most deserve attention.

The rigidity of the emphasis on categories is illustrated by the MX controversy. The Scowcroft Commission was in a quandary: it apparently found little or no military virtue in the MX but felt it necessary to demonstrate, to the Soviet government and to allied governments, that the United States was determined to spend money to overcome any strategic-weapon deficiency vis-à-vis the Soviet Union, and specifically an apparent deficiency in large land-based missiles. The MX was alleged to be the only missile ready for procurement; and since quick procurement was essential, the commission recommended 100 MX, with a longing glance at an economical single-warhead missile (Midgetman) that was not even under development. Bemused by the SALT tradition, their horizon in searching for appropriate weapons was short of the oceans; they appear not to have considered as an alternative the scheduling of some equivalent number of Trident submarines. Perhaps Tridents were not considered quite equivalent militarily to the MX; but since the object was a demonstration of resolve to procure, and not the particular characteristics of the MX, and because the Trident solved the basing problem that had vexed the Carter and Reagan Administrations for most of eight years, the Trident solution at least ought to have been considered. (If it was, it does not show in the commission report.)

What a strange product of an arms-control mentality—to constrain the United States to purchase one of the least attractive weapons (in terms of what arms control is intended to bring about) and to preclude the procurement of a secure, non-targetable undersea system instead. What a lost opportunity to announce that the United States would compete by procuring weapons of its own choosing, not by matching, category by category, whatever the Soviets chose to deploy. Instead, we have "arms control" for its own sake, not for the sake of peace and confidence.

Arms control for its own sake is similarly implicated in the widespread abhorrence of submarine-based cruise missiles. The cruise missile, as advertised, is an economical retaliatory weapon, too slow for preemptive attack, yet difficult to defend against as it penetrates Soviet air space, impossible to locate on

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

station because it can be based on submarines. It ought to seem a splendid answer to the problem of vulnerability in the retaliatory force. The widely voiced objection is a simple one. It is easy to hide; it can be got surreptitiously on board submarines. Because it can be fired from a torpedo tube and each submarine can have a reload capability, and because there are more attack submarines capable of carrying cruise missiles than any treaty limitation on the missiles would allow, there is no way to monitor a limitation on numbers of cruise missiles. The logic is that if you cannot find them you cannot count them; if you cannot count them you cannot have verifiable limits; if limits cannot be verified you cannot have arms control.

But who needs arms control if economical and reliable retaliatory weapons are available that are neither susceptible to preemption nor capable of preemption? There may be an answer to this question, but it has not been given. Again, arms control appears to get in the way of pursuing its own objective. Possibly there is some imperative in arms control to do something about offensive weapons, even when there is nothing constructive to be done; so something was done that could not be constructive and the result is confusion or worse. Possibly the first SALT agreement became a compelling model: Secretary of Defense Melvin Laird, after the signing of the SALT agreement, referred to it immediately as "SALT I," and looked forward to SALT II, freezing a procedural pattern with roman numerals. Perhaps the arms control bureaucracy nurtures itself on formal negotiations and ratified treaties, and has lost any subtlety it might have had. (Adelman's *Foreign Affairs* article is at least a hint at a less heavy-handed approach.) Perhaps an administration with no genuine interest in arms limitation finds in arms control the best pulpit from which to preach arms competition.

V

There is a separate development to weave into this story. Ten years ago, late in the Nixon Administration, secretaries of defense began to pronounce a new doctrine for the selection of strategic weapons. This doctrine entailed a more comprehensive target system than anything compatible with the McNamara doctrine. Its philosophical basis was that, if a war occurred, the president should have some alternative to mutual destruction, and the alternative proposed was a counterforce

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

capability that could be operated purposively in a wartime environment, susceptible to control.

And there was a new strategic element: the threat of destroying a large part of the Soviet population and industrial capacity might no longer deter Soviet leaders, whose affection was for their own leadership and not for the people they served. The only effective deterrent threat might be the destruction of their entire military power base, including ground and naval forces. This required, of course, much larger and more versatile weapon capabilities for our forces.

The philosophy underlying the ABM agreement came under attack because it represented the mad notion that the only alternative to peace was mutual obliteration. The name of the strategy was abbreviated, and the acronym, MAD—Mutual Assured Destruction—has been brandished as a derisive slogan. Since 1964 the correct name of the strategy is not "assured mutual destruction," but "assured *capability* for mutual destruction," the difference being that the capability does not have to be ineluctably exercised at the outbreak of even an intercontinental nuclear war. The three crucial elements are an assured capability, restrained targeting and some capacity for war termination.

What has happened is that a capacity to maintain *control* over the course of war has come to be identified with a vigorous and extended *counterforce* campaign, while *retaliatory targeting* has been identified with what Herman Kahn used to call "spasm." The choice is presented as one between a counterforce campaign that is subject to control and a purely retaliatory campaign that is a total spasmodic response. I find it more plausible that the actual choice is between the two opposite alternatives. A controlled retaliatory capability seems to me supremely important, as these things go, and probably achievable, at least if somewhat reciprocated on the other side. But it is unlikely that "controlled" counterforce warfare on the scale typically envisioned could be sustained all the way to a termination that left populations and their economic assets substantially intact; indeed *uncontrolled* counterforce is probably what you would get.

But as long as the counterforce doctrine is governing, it will be hard to impose a reciprocal denial of substantial preemptive capabilities, since the capability to destroy hard targets, publicly eschewed by McNamara, has now become central to the doctrine. How this doctrine might be squared with arms control

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

has never been clear to me, but it probably explains why the current arms control framework has become the one within which the numerical arms race is driven.

I should note briefly that the bargaining chip idea has again become transparent. The Administration, the Scowcroft Commission, and even Congressman Les Aspin have all publicly averred that an initial MX program was essential to drive the Soviets to the bargaining table. No one has given an estimate of the likelihoods of successful disarmament negotiations with and without MX: if the prospect were ten percent without MX and 30 percent with it—a differential I find implausibly large—it could still be a bad bargain if it is not the weapon we want. The Administration has never been altogether clear whether the MX itself is a definitive program whose completion will lead to arms control, or is a contingent program whose abandonment is up for discussion. Publicly acknowledging that Soviet intransigence can oblige the United States to procure an expensive weapon of admittedly little or negative military utility is embarrassing.

Another debating strategy that attempts to make things better by first making them worse is publicizing the argument that any perceived inadequacy of U.S. strategic weaponry vis-à-vis the Soviet Union, or even a perceived lack of competitive determination on the part of the United States, would invite the Soviets to press hard in the next confrontation in the confident belief that the United States must back down, much as Khrushchev did in 1962. In the face of Soviet hubris over strategic superiority, the United States will have no choice but to back down—a situation that invites confrontation. This may be a good argument for more armament if Americans believe it and Russians do not. It is a dangerous one if Russians believe it and believe that Americans do too. I find no logic in the argument, but it is one of those that could be self-fulfilling in a dangerous way. The argument could easily have been neutered by an administration that saw the danger in it and did not itself rely on such arguments to bolster support for its programs. One hopes that the Russians know better.

VI

Finally we come to the Strategic Defense Initiative—President Reagan's dream of harnessing technology to provide impregnable defenses against ballistic missiles sometime in the future, making nuclear weapons obsolete and permitting nu-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

clear disarmament. How it can be thought that space-based defenses against ballistic missiles can completely deny the delivery of nuclear explosives to the proximity of U.S. population centers by land, sea and air, I do not know; but excusing the idea as an extravagance, let us try to see how the concept fits into arms control.

There is an easy way to fit it, even into the philosophy of the ABM treaty, but it is an interpretation that denigrates the President's dream and is nowhere near commensurate with the attention SDI gets. That is to argue that defending targetable U.S. missiles, like the MX, against preemptive attack through high-technology ABM is attractive and unobjectionable. It was a flaw in the ABM treaty that "good" ABM (protecting missiles) was disallowed along with "bad" (protecting cities). In consequence there is no way to protect the MX. A partial reversal of the ABM ban to permit defense of retaliatory weapons would bring us back to the McNamara spirit. This is a line taken by many defenders of SDI, although it is not clear to me whether it is an opportunistic rescue of ground-based missiles under the SDI umbrella, a minimally defensible foot in the door for SDI, a fillip to advanced research, or merely an attempt to rescue the President's image by showing that the concept of SDI, though overblown and oversold, is not quite empty.

There is, of course, the technical question of whether defenses good at protecting ground-based missiles are sufficiently distinguishable from defenses for population centers, so that rather than repairing the ABM treaty by inserting an exception we should be deciding whether or not to abandon it. There are so many interested parties with different interests that it is hard to find common ground even among those who share the same enthusiasm.

Let us leave aside the fact that cities are soft, unconcealable, and almost certainly unprotectable no matter how successfully ballistic missiles may be fended off, there being such a multitude of alternative means of wartime delivery or prewar positioning. There remains the question whether the President's dream is a good one.

He speaks of no longer depending on deterrence but of being unilaterally able to nullify any Soviet nuclear attack. Would we prefer to rely on defense, which is unilateral, or on deterrence, which is contingent and reciprocal? My question is whether we should wish away deterrence as the foundation of peace.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Those 40 years of living with nuclear weapons without warfare are not only evidence that war can be avoided but are themselves part of the reason why it can be; namely, increasing experience in living with the weapons without precipitating a war, increasing confidence on both sides that neither wishes to risk nuclear war, diminishing necessity to react to every untoward event as though it were a mortal challenge. I go further than that: a prudent restraint from aggressive violence that is based on acknowledgment that the world is too small to support a nuclear war is a healthier basis for peace than unilateral efforts to build defenses. I like the notion that East and West have exchanged hostages on a massive scale and that as long as they are unprotected, civilization depends on the avoidance of military aggression that could escalate to nuclear war.

Most of what we call civilization depends on reciprocal vulnerability. I am defenseless against almost everybody that I know, and while most of them would have no interest in harming me there must be some that would. I feel safer in an environment of deterrence than I would in an environment of defense. It is often said that terror is a poor basis for civilization, and the balance of terror is not a permanently viable foundation for the avoidance of war. Fear can promote hostility, and fear can lead to impetuosity in a crisis. I agree, but I do not equate a balance of deterrence with a balance of terror, even though the roots of "deterrence" and "terror" are the same. Twenty years ago I wrote and still believe:

> The extent of the "fear" involved in any arrangement—total disarmament, negotiated mutual deterrence, or stable weaponry achieved unilaterally by conscious design—is a function of confidence. If the consequences of transgression are plainly bad—bad for all parties, little dependent on who transgresses first, and not helped by rapid mobilization—we can take the consequences for granted and call it a "balance of prudence."[8]

People regularly stand at the curb watching trucks, buses and cars hurtle past at speeds that guarantee injury and threaten death if they so much as attempt to cross against the traffic. They are absolutely deterred. But there is no fear. They just know better.

[8] Thomas C. Schelling, *Arms and Influence*, New Haven: Yale University Press, 1966, p. 259.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Sanford J. Ungar
Peter Vale

SOUTH AFRICA: WHY CONSTRUCTIVE ENGAGEMENT FAILED

Ronald Reagan's imposition of limited economic sanctions against the South African regime in September was a tacit admission that his policy of "constructive engagement"—encouraging change in the apartheid system through a quiet dialogue with that country's white minority leaders—had failed. Having been offered many carrots by the United States over a period of four-and-a-half years as incentives to institute meaningful reforms, the South African authorities had simply made a carrot stew and eaten it. Under the combined pressures of the seemingly cataclysmic events in South Africa since September 1984 and the dramatic surge of anti-apartheid protest and political activism in the United States, the Reagan Administration was finally embarrassed into brandishing some small sticks as an element of American policy.

The Reagan sanctions, however limited, are an important symbol: a demonstration to the ruling white South African nationalists that even an American president whom they had come to regard as their virtual savior could turn against them. Only a few weeks after inexplicably hailing South Africa for an American-style solution to racial segregation,[1] Mr. Reagan, beating Congress to the punch, signed an executive order

[1] In a telephone interview from his California ranch with WSB Radio in Atlanta on August 24, 1985, the President said that South Africa had "eliminated the segregation that we once had in our own country—the type of thing where hotels and restaurants and places of entertainment and so forth were segregated—that has all been eliminated. They recognize now interracial marriages and all." *Weekly Compilation of Presidential Documents,* Vol. 21, No. 35, Sept. 2, 1985, Washington: G.P.O., p. 1004.

Sanford J. Ungar, former Managing Editor of *Foreign Policy,* was until recently a Senior Associate of the Carnegie Endowment for International Peace. He is the author of *Africa: The People and Politics of an Emerging Continent.* Peter Vale is Research Professor and Director of the Institute of Social and Economic Research at Rhodes University in Grahamstown, South Africa. Copyright © 1985 by Sanford J. Ungar and Peter Vale.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

banning the export of computers to all official South African agencies that enforce apartheid; prohibiting most transfers of nuclear technology; preventing loans to the South African government unless they would improve social conditions for all races; ending the importation of South African Krugerrand gold coins into the United States; and limiting export assistance to American companies operating in South Africa that do not adhere to fair employment guidelines. By any measure, this was a significant development, and Pretoria's reaction of shock, anger and defiance underlined its impact.

But the sanctions, applied at once with fanfare and apologies, do not represent a fundamental change in American policy toward South Africa. Nor do they portend or promote a meaningful evolution in the South African political and social system. On the contrary, they continue the recent American practice of attempting to reform the South African system by working entirely within it and honoring its rules. "Active constructive engagement" (the new, impromptu name the President seems to have given his policy during a press conference) is still a policy that engages the attention and the interests of only a small, privileged stratum of South Africans. It relies almost entirely on white-led change, as designed and defined by a regime that is becoming more embattled by the day. And it ignores the needs, the politics and the passions of the black majority in South Africa.[2] The policy will continue to fail.

II

Constructive engagement has not merely caused the United States to lose five valuable years when it might have influenced South Africa to begin negotiating a settlement of its unique and extraordinary racial problems. Many would argue that constructive engagement was a necessary step in the evolution of American attitudes toward South Africa, but the cost has been great. American policy has actually exacerbated the situation inside South Africa by encouraging and indulging the white regime's divide-and-rule tactics—leading that regime, its internal and external victims and much of the international community to believe that, whatever the rhetoric emanating from Washington, American prestige is on the side of the Pretoria government.

[2] The term "blacks" is used here in the South African sense, to include black Africans, so-called Coloureds of mixed race and Asians.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Indeed, from the time constructive engagement took effect, American trade with and investment in South Africa increased, and the Reagan Administration expanded the scope of U.S. cooperation with the South African government. It lifted previous restrictions on the export of military equipment and equipment with potential military uses; permitted (until President Reagan's recent change of heart) the sale of American computers to the police, military and other agencies of the South African government that administer apartheid; and approved the sale of shock batons to the police. The Administration also allowed the return of South African military attachés to the United States and otherwise expanded diplomatic, military and intelligence relationships between the two countries—including the establishment of several new South African honorary consulates around the United States, the provision of American training for the South African coast guard, and the resumption of official nuclear advisory contacts.[3]

In addition, the Reagan Administration frequently stood alone on South Africa's side in the U.N. Security Council—vetoing resolutions critical of South Africa on occasions when Britain and France abstained, and, in some cases, registering the only abstention when Western allies voted to condemn South African actions.

No specific conditions were imposed on South Africa in exchange for these American favors. On the contrary, they were granted at a time when many of the restrictions on black South Africans were being tightened and tensions inside South Africa were growing. One important consequence was that, while America's official gaze was averted, a whole stratum of black South African leaders who had appeared willing to negotiate over the country's future seem to have been pushed aside by groups that advocate violent solutions. The arguments in favor of American-style, if not American-sponsored, conciliation and negotiation in South Africa may now have lost their force, as the South African drama has taken new and significant turns toward a tragic resolution.

Viewed in the context of the events of the past 15 months, South Africa's problem today is a manifestly new one. Unless steps are taken to prevent further deterioration, that country is liable to drift into uncontrollable violence fueled from the

[3] See Congressman John Conyers (D-Mich.), "Getting Tough with Pretoria," *The New York Times*, Jan. 23, 1985, p. A23.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

extreme right and extreme left. What is needed from the United States is not a withering debate over disinvestment or a domestic public relations campaign on behalf of constructive engagement, but an entirely new and more imaginative approach to South Africa. A policy must be crafted that not only recognizes and works with the current grim realities there, but also tries to ease the transition to an altogether different, albeit unknown, future in which blacks will take part in the government of their country. There is no longer any question that this change will occur in South Africa; the question is how, according to whose timetable and with what sort of outside involvement.

Only by establishing much more direct communication with the South African majority and by granting it far greater and more practical assistance can the United States hope to influence the course of events there. In effect, a new, parallel set of diplomatic relationships is necessary. And only by taking further steps that risk hurting the pride of South Africa's current rulers can American leaders hope to win enough credibility among South African blacks to be listened to in the debate over the country's future—a debate that will have profound consequences in all of Africa, the United States and much of the rest of the world.

III

From the start, constructive engagement meant quite different things to the four constituencies that would be most affected by it: the Reagan Administration itself, and by extension the American public; the South African government and the white population it represents; the South African black majority; and other countries in southern Africa.

The policy of constructive engagement was spelled out in 1980 by Chester A. Crocker, shortly before he became assistant secretary of state for African affairs. One of its first principles was that the previous U.S. policy of putting overt, public pressure for change on the South African regime had seemed to promise much more to black South Africans than it could deliver. "Americans need to do their homework," wrote Mr. Crocker in a landmark article:

> A tone of empathy is required not only for the suffering and injustice caused to blacks in a racist system, but also for the awesome political dilemma in which Afrikaners and other whites find themselves. . . . Amer-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ican powder should be kept dry for genuine opportunities to exert influence. As in other foreign policy agendas for the 1980s, the motto should be: underpromise and overdeliver—for a change.[4]

Ironically, the Crocker approach made its own very ambitious promises, this time to the American public and the international community. Among other things, it offered the prospect of increased American prestige in southern Africa (with the implication that Soviet influence there would correspondingly be neutralized); a solution to the diplomatic and military conflict over Namibia (or South-West Africa), the former German colony that South Africa has continued to rule in defiance of the United Nations; and a withdrawal of Cuban troops and advisers from Angola. The latter—the prospect of an apparent setback for the Cubans—carried particular domestic political appeal in the United States, and it alone seemed to justify the sudden focus of high-level attention on Africa.

Finally, and most fundamentally, constructive engagement promised that if the United States could, as Crocker put it, "steer between the twin dangers of abetting violence in the Republic and aligning ourselves with the cause of white rule," then it could contribute to the achievement of change in South Africa. The Reagan Administration seemed to believe that P. W. Botha, who had become prime minister in 1978 and elevated himself to state president in 1984 under a new constitutional scheme, was significantly different from other, more orthodox postwar South African leaders. Botha's program of limited reforms, Crocker felt, should be encouraged and applauded by the United States, if only to safeguard American interests in South Africa and the region.

In the early days of constructive engagement, Botha appeared to be impervious to, or at least capable of outsmarting, the increasingly assertive South African right wing, composed mostly of disaffected members of the ruling National Party. What is more, the domestic situation in South Africa seemed to be secure. The nationwide upheavals associated with the Soweto riots of 1976 had subsided. Despite localized incidents of black unrest and sporadic attacks inside the country by members of the exiled African National Congress, there was no obvious political force that might be able to dislodge, or even unnerve, the Botha government. When ANC attacks got

[4] Chester A. Crocker, "South Africa: Strategy for Change," *Foreign Affairs*, Winter 1980/81, pp. 323–351.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

out of hand, the South African government seemed capable of neutralizing the organization with commando raids into neighboring black-ruled countries.

Reinforcing all this was the widespread impression that the South African business community—led primarily by relatively liberal English-speaking men with extensive ties to the outside world—was not only poised to play a more active role in setting the pace of reform and determining the country's future, but was also being encouraged to do so by the Afrikaner-dominated political establishment. After the uprisings of 1976, business leaders had established new foundations that would attempt to improve the lives of black people in ways that the government itself was not yet prepared to attempt. At a widely publicized meeting in Johannesburg in 1979, Botha had explicitly asked the captains of South African business and industry to help him lead the country along a new political path, and they had, for the most part, responded enthusiastically.

The Reagan Administration seemed to believe that with its domestic situation under control and improving all the time, South Africa, with American backing, could also play the role of a regional power promoting peace. Once Namibia had achieved independence under U.N. supervision (in direct exchange for the withdrawal of the Cubans from Angola, a linkage that Washington introduced into the negotiations), other regional tensions would be reduced and, the State Department hoped, recalcitrant South African whites would see the advantages of peaceful coexistence with neighboring black-ruled states.

IV

The Botha government had different expectations of constructive engagement. Indeed, for Pretoria, Ronald Reagan's victory in 1980 stirred ambitious hopes. It seemed to signal a return to the days when the South African white regime could get away with portraying itself as a protector of the Western way of life, a bastion of freedom, decency and economic development at the tip of a continent afflicted by tyranny, chaos and abject poverty—above all, a bulwark against communism.

For the four previous years, that pose had been weakened, if not entirely rejected, by Washington. Jimmy Carter, with his emphasis on human rights and his public criticisms of apartheid (made, for example, during a visit to Nigeria) had come to be regarded as public enemy number one by many South African

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

whites, who believed that he was trying to humiliate, or perhaps even destroy them. During a press conference at the end of a dramatic confrontation with then Prime Minister John Vorster in Vienna in 1977, Vice President Walter Mondale had appeared to advocate a one-man/one-vote system for South Africa. Two of Carter's other lieutenants who applied pressure on the country, U.N. Ambassadors Andrew Young and Donald McHenry, were black. Some white South Africans held Young and McHenry personally responsible for forcing a supposedly unwitting and, at the time, somewhat disorganized National Party government into a fateful concession—an agreement that Namibia should move toward independence under the terms of U.N. Security Council Resolution 435.

Anti-Americanism became a powerful force in South African white politics during the Carter Administration. In an election held some months after his showdown with Mondale, Vorster was able to add 15 seats to his majority in the white parliament simply by focusing the electorate's attention on alleged U.S. meddling in the country's affairs. Indeed, Carter's promotion of a climate of distrust between Washington and Pretoria, his refusal to acknowledge and endorse South Africa's dominant role in the region, may have contributed to the growing determination of the South African military to demonstrate the country's hegemony by destabilizing the governments and economies of neighboring states.

For the National Party government, Reagan's election raised hopes for more than just a return to a "normal" relationship between the United States and South Africa. There was the prospect of a valuable endorsement of the legitimacy of the white regime and the promotion of South African leadership in the region, perhaps through the "constellation of states" concept that Vorster had introduced and Botha had promoted. When President Reagan himself, in a television interview early in his term, extolled South Africa as "a country that has stood beside us in every war we've ever fought, a country that strategically is essential to the free world in its production of minerals,"[5] some South African politicians began to fantasize that their wildest dreams might come true.

Pretoria was encouraged that the Reagan Administration

[5] "U.S. Attitude Toward South Africa," Document 32, *The United States and South Africa: U.S. Public Statements and Related Documents, 1977–85,* Department of State, Washington; G.P.O., 1985, p. 58.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

viewed the problems of southern Africa in the context of East-West relations, a perspective that South Africa felt had been naïvely missing from Carter's policy. South Africa's suspicion of the Soviet Union bordered on paranoia, and the new American government's tough line toward Moscow was greeted in South Africa as "political realism." Indeed, white South Africans hoped they would finally be regarded as an integral part of Western defense requirements.

In a "scope paper" to brief then Secretary of State Alexander Haig for a meeting with South African Foreign Minister Roelof F. "Pik" Botha in 1981 (and later made public by TransAfrica, the black American foreign policy lobbying organization), Crocker gave every indication that the Reagan Administration might be prepared to trust South Africa with just such responsibilities. He wrote:

> The political relationship between the United States and South Africa has now arrived at a crossroads of perhaps historic significance; the possibility may exist for a more positive and reciprocal relationship between the two countries based upon shared strategic concerns in southern Africa, our recognition that the government of P. W. Botha represents a unique opportunity for domestic change, and willingness of the Reagan administration to deal realistically with South Africa.[6]

If the South Africans cooperated on the Namibian issue, the Crocker memo went on to argue, the United States could "work to end South Africa's polecat status in the world and seek to restore its place as a legitimate and important regional actor with whom we can cooperate pragmatically." The United States was prepared to begin this process of new, "realistic" dealings with South Africa by taking "concrete steps such as the normalization of our military attaché relationship." In other words, the State Department leadership was so enthusiastic and hopeful about this course that it was willing to make symbolic gestures to Pretoria without any advance indication that reciprocal measures would be forthcoming.

Aware of this attitude, the Botha government expected still more concessions out of constructive engagement—perhaps even some form of American recognition of the South African-designed "independent homelands" of Transkei, Bophuthatswana, Venda and Ciskei, which had been scorned and

[6] *TransAfrica News Report*, Washington, D.C., Vol. 1, No. 10 (Special Edition), August 1981.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

shunned by the international community but remained an important part of the grand fabric of apartheid. At one meeting with Crocker in Pretoria, Foreign Minister Pik Botha attempted to promote direct communication between the United States and the homelands by passing along messages from the leaders of two of these pseudostates. The thought was that if America conferred some legitimacy on the homelands, then other Western nations might follow suit and, before long, the established, genuinely independent states of the region, such as Botswana, Lesotho and Swaziland, would be forced out of weakness to deal with the homelands directly and perhaps even to join them in Botha's "constellation."

As far as Namibia was concerned, given the rich enticements that were being offered, South Africa seemed willing to play along with Crocker's patient, if overly optimistic, efforts to secure a settlement. Pretoria was, of course, deeply suspicious of the United Nations and skeptical of any transition to independence in Namibia that would operate in favor of the South-West Africa People's Organization, which had been designated by the United Nations as the sole legitimate representative of the territory's inhabitants. SWAPO, although it included among its membership many old-line nationalists whose views were consistent with those of European social democrats, had long been aided by the Soviet Union and other communist countries and, as an organization, officially followed a Marxist political line. Once the connection of a Namibian settlement with the departure of the Cubans from Angola had been introduced by Washington, however, it was much easier for South Africa to cooperate—or at least to give the impression of cooperating—with the Reagan Administration's efforts, which most South African political analysts thought were doomed to fail anyway.

Whether the Botha government ever could have delivered on a Namibia deal without provoking a severe crisis in the ranks of white South Africans is another question; the South African Defense Force, whose influence over the country's regional policies is profound, was, and apparently remains, hostile to any negotiations to "give away" the territory.

When it came to the issue of internal reform, P. W. Botha found it relatively easy to satisfy the Reagan Administration with his own limited agenda. Botha, as a lifelong party organizer and long-standing member of the white parliament from southern Cape province, where the population is evenly divided between whites and so-called Coloureds, had very little direct

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

experience with other blacks. Thus, when he promoted a new constitutional scheme in 1983 establishing separate chambers of parliament for the so-called Coloureds and Asians, he was still groping to construct an alliance of minority groups that would exclude, and defend itself against, the black South African majority. When the United States appeared willing to accept the new constitution as a step in the right direction, Botha and his reformist allies were encouraged to think that they had American support on this important front.[7] It was the impression that the United States was identifying itself with the South African government's latest scheme for preserving and prolonging apartheid that was critical to the view of constructive engagement held by most black South Africans.

V

A major complicating factor for any outsiders who attempt to deal with the South African issue is that black South Africans have a view of the world quite different from their white countrymen. But they have no formal diplomatic representation—the few overseas offices of the ANC and the Pan-Africanist Congress (PAC) have no meaningful status, except at the United Nations—and not even any reliable informal ways of making their views known to the international community. They are as disenfranchised in the outside world as they are at home.

For years, contacts between Americans and black South Africans had grown stronger, in part through greater journalistic attention to South Africa in the United States, and in part through the growing inclination of American civil-rights and other organizations to become concerned about the South African problem. An assumption gained currency in South Africa during the presidency of John F. Kennedy that the United States sympathized with the plight of black South Africans and tended to take their side during incidents of repression and violence. Among other gestures, Kennedy's

[7] The State Department has repeatedly sought to deny that it gave any encouragement to P. W. Botha's "new dispensation" for Asians and "Coloureds," but statements issued by U.S. Ambassador Herman Nickel in South Africa and by official spokesmen in Washington had that effect. Some of the statements were later withdrawn or amended, but the impression had already taken hold; many of the white liberals who campaigned for a negative vote in the whites-only referendum on the new constitution complained that Nickel seemed to be taking the South African government's side. See, for example, the Johannesburg newspapers *Rand Daily Mail*, Aug. 28, 1983, p. 13; *The Star*, Oct. 3, 1983, p. 7; *The Sunday Express*, Nov. 6, 1983, p. 10; and *Die Vaderland*, Nov. 18, 1983, p. 12.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

State Department for the first time required the American embassy in South Africa to invite blacks to official functions; the President's brother, Robert, was particularly involved with South Africa, and his visit there in 1964 is still remembered as an important gesture of solidarity with those who were fighting apartheid.

The Carter Administration sought to rekindle this spirit in American relations with South Africa, especially during its first two years in office. After the death of "Black Consciousness" leader Steve Biko at the hands of the South African police in 1977, the Carter Administration led the international chorus of outrage, and for a time it seemed as if American protests had helped to end deaths in detention in South Africa. Although Carter's rhetoric on the South African issue subsided as the practitioners of realpolitik gained the upper hand in his Administration, and although he repeatedly disappointed those who were waiting for the United States to vote in the United Nations for international economic sanctions against South Africa, the Carter years are nonetheless regarded by some South African blacks as a time when America was ready to help.

In the heady early days of constructive engagement, however, the Reagan Administration seemed obsessed with a need to demonstrate classic American qualities of evenhandedness. In one speech in August 1981 to the annual convention of the American Legion in Honolulu, Mr. Crocker stressed that "it is not our task to choose between black and white" in South Africa, where the United States sought "to build a more constructive relationship . . . based on shared interests, persuasion, and improved communication." While reiterating that the Reagan Administration disapproved of "apartheid policies that are abhorrent to our own multiracial democracy," Crocker said that "we must avoid action that aggravates the awesome challenges facing South Africans of all races. The Reagan Administration has no intention of destabilizing South Africa in order to curry favor elsewhere."[8]

To some black South African leaders, not to choose sides between the oppressors and the oppressed was tantamount to buttressing the oppressors. Already, in March 1981, Bishop Desmond Tutu, then secretary-general of the South African

[8] "Regional Security for Southern Africa," Document 50, *The United States and South Africa: U.S. Public Statements and Related Documents, 1977–85, op. cit.*, pp. 79–84.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Council of Churches, had warned that "a United States decision to align itself with the South African government would be an unmitigated disaster for both South Africa and the United States." Tutu cautioned that the appearance of a reconciliation between Pretoria and the most influential government in the West would negate years of attempts by black South Africans to achieve a peaceful realization of their political ambitions.[9]

Four months later, a well-known black South African academic, N. Chabani Manganyi of the University of the Witwatersrand, told a Johannesburg conference that "blacks, both in South Africa and elsewhere in Africa, interpreted the policy of constructive engagement as an act of choice—or moral choice. They see the choice as a very simple matter in that it is a choice between South Africa and its domestic policies and the rest of the world." Manganyi called upon the Reagan Administration to fulfill its moral obligation to the people of South Africa and the international community by applying pressure for change; he said that whereas the Carter Administration had given blacks hope, "it could well be that President Reagan is preparing us for despair."[10]

So preoccupied was the Reagan Administration with sending signals to South Africa's white minority, however, that it is not clear its representatives paid heed to such warnings. Crocker exacerbated the situation by failing to include formal, public meetings with black South Africans on the itineraries of his many trips to South Africa, which received prominent coverage in the South African press. One black South African newspaper claimed that between January 1982 and December 1984, Crocker had met formally with only 15 South African blacks, and that all of those meetings took place in the United States.[11] As a result, it became all the more difficult for him and other representatives of the American government to encounter blacks and solicit their views informally; increasing numbers of them (and even of white liberals) refused to attend functions given by U.S. diplomats in South Africa.

Especially offensive to some black South Africans was the fact that the United States expressed no opposition to the Pretoria government's latest divide-and-rule tactic, the new

[9] *Sunday Times* (Johannesburg), Mar. 12, 1981, p. 2.

[10] N. Chabani Manganyi, "The Washington-Pretoria Connection: Is There a Black Perspective?" in *The United States and South Africa: Continuity or Change?* Johannesburg: South African Institute of International Affairs, 1981, pp. 50, 53.

[11] *City Press* (Johannesburg), May 19, 1985, p. 2.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

constitution creating separate chambers of parliament for so-called Coloureds and Asians—nor to the conduct of a whites-only referendum in November 1983 for approval of the constitution. In a speech to the National Conference of Editorial Writers in San Francisco in June 1983, U.S. Under Secretary of State Lawrence Eagleburger stated:

> I do not see it as our business to enter into this debate or to endorse the constitutional proposals now under consideration. Nor do we offer tactical advice to any of the interested parties. Yet the indisputable fact which we must recognize is that the South African government has taken the first step toward extending political rights beyond the white minority.[12]

In the view of black South Africans, who were almost universally opposed to the new constitution (even the leaders of six of the homelands urged a negative vote in the referendum), the United States could hardly have devised a clearer endorsement of the proposals.

In August 1983 more than 570 organizations, with members from all races, joined in a movement that pledged to work actively against the new constitution. The result was the United Democratic Front (UDF), which eventually orchestrated a massive boycott of the September 1984 elections for "Coloured" and Indian members of parliament. Only 30.9 percent of "Coloureds" and 20.3 percent of Indians who had taken the step of registering actually cast their votes; some of South Africa's new nonwhite parliamentarians went to Cape Town on the basis of the votes of only a few hundred people.[13] Most blacks saw the new institutions as a farce.

The identification of Washington with some of the most detested devices of the white regime may have helped to discredit black South African leaders who were not entirely ill-disposed to the United States, as well as American liberal politicians who were willing to support only moderate tactics in the struggle against apartheid. Thus, the radical Azanian People's Organization (AZAPO), a "Black Consciousness" group, demonstrated against Senator Edward M. Kennedy (D-Mass.) and succeeded in ruining his visit to South Africa early in 1985.

[12] "Southern Africa: America's Responsibility for Peace and Change," Document 115, *The United States and South Africa: U.S. Public Statements and Related Documents, 1977–85, op. cit.*, pp. 189–196.

[13] Another way of stating the turnout in the elections for the new chambers of parliament is that 18.2 percent of the "Coloureds" eligible to vote did so, and that among Asians the comparable figure was 16.2 percent.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Meanwhile, black spokesmen such as Dr. Nthatho Motlana, who had been an early activist in the ANC and, as chairman of the "Committee of Ten," had the support of his community in confronting the authorities during the Soweto riots of 1976, now appeared increasingly irrelevant to the more militant youths in the townships who called each other "comrade."[14]

So far had things moved by the time P. W. Botha declared a state of emergency in certain parts of the country in July 1985 that it was not clear that the country-wide violence could be halted even if the ANC were brought into the dialogue. It seemed obvious that the ANC leaders sitting in other African capitals were as surprised as anyone else by the turn of events inside South Africa, and perhaps equally unable to control what happened. Whereas the ANC banner had often been displayed at political funerals over the years, on at least one occasion, in Cradock, eastern Cape province, it was now accompanied by the Soviet flag.

VI

American officials who spoke on behalf of constructive engagement liked to stress as often as possible that it was intended not merely as a policy toward South Africa, but as an effort to deal with the entire southern African region and its problems—thus Washington's promotion of direct talks between South Africa and Angola and its pleasure over the signing of the Nkomati accord between South Africa and Mozambique.

Most governments in the region, however, saw few benefits from constructive engagement. On the contrary, they saw evidence of a dangerous new South African military ascendancy, as the South African Defense Force seemed newly emboldened to strike across frontiers—into Mozambique, Lesotho, Botswana and, above all, Angola—in pursuit of ANC or SWAPO guerrillas and activists. The South Africans certainly supplied and trained the Mozambique National Resistance (MNR or Renamo), whose destructive war against the hard-pressed government of Samora Machel drove him to sign the Nkomati accord. (The accord called for Mozambique to expel ANC guerrillas in exchange for a suspension of South African

[14] See, for example, Alan Cowell, "Generation Gap Adds Tension Among South African Blacks," *The New York Times,* Sept. 18, 1985, p. 1. "Comrade" is a term used in southern Africa over the years among those committed to the overthrow of white minority regimes. For other comments by black South Africans about American policy see Stephen Weissman, "Dateline South Africa: The Opposition Speaks," *Foreign Policy,* Spring 1985, pp. 151–170.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

aid to the MNR; documents recently discovered in Pretoria revealed that while Mozambique kept its part of the bargain, South Africa did not.) South Africa also kept up the pressure on the Marxist government in Angola by continuing to supply the rebel forces of the National Union for the Total Independence of Angola (UNITA) led by Jonas Savimbi. What is more, there have been few moments during the past ten years when there were not substantial numbers of South African troops inside Angola itself; last spring, South African commandos were captured in the Cabinda enclave (a part of Angola that is separated from the rest by a thin piece of Zaïre) as they were preparing to sabotage an American-owned oil-drilling installation.

At the same time, South Africa also found economic means of destabilizing its neighbors and demonstrating its political hegemony over weaker states. The United States tried to put distance between itself and the South Africans on the issue of destabilization, frequently condemning its cross-border incursions and finally, after the raids in Cabinda and Botswana, withdrawing the American ambassador to Pretoria, Herman Nickel, for several months. Yet it seems clear that South Africa felt comfortable taking these steps against its neighbors without fear of serious recriminations from Washington.

Indeed, the U.S. Congress has been pushing the Administration to resume American aid to UNITA; while intended as a means of demonstrating toughness toward Cuba and the Soviet Union, this action would have the primary effect of advancing South Africa's interests in the region. Savimbi is clearly Pretoria's client, and is regarded as such throughout Africa; in fact, there is no way to aid him without going through South Africa.

For a time it appeared that the Reagan Administration would be willing to complement its new closeness with Pretoria with substantial aid programs for nearby black-ruled states. But those programs rarely materialized, and when they did, as in the case of Mozambique, opposition from conservatives on Capitol Hill made them almost impossible to carry out. In the case of Zimbabwe, where the United States had made an international commitment of aid at the time of independence in 1980, the Reagan Administration decided to punish Prime Minister Robert Mugabe for his foreign policy positions—including his sponsorship of a U.N. resolution condemning the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

U.S. invasion of Grenada in 1983—by cutting back substantially.

VII

After nearly five years, then, constructive engagement has failed on every front and with all of its constituencies.

The American public has seen little to indicate new U.S. diplomatic or strategic strength in southern Africa; on the contrary, the region is in as much turmoil as ever, and the Soviets have suffered few notable setbacks. The Cubans are still in Angola, and Namibia is no closer to independence; indeed, the South Africans recently instituted a new internal regime there, in direct defiance of American wishes.

Within South Africa itself, the United States has given a great deal and seen little progress as a result. The only concrete achievements of constructive engagement, apart from the shattered Angolan-South African truce and the now-discredited Nkomati accord, were a brief period of leniency by the Pretoria government toward black trade unions and the granting of passports to black spokesmen invited to the United States, such as Tutu and Motlana.

But the Reagan Administration can hardly claim that constructive engagement has brought about genuine improvements in the lives of South Africans. On the contrary, the piecemeal reforms that have been enacted in the past five years have been the object of resentment. The introduction of the new tricameral parliamentary system has coincided with the most devastating internal violence the country has experienced since the formation of the unified South African state in 1910. Unrest has flared during the past year in every part of the country, and the imposition of the state of emergency has done little to quell it. In addition to the hundreds of known deaths and thousands of detentions that have occurred in recent months, more than one hundred South Africans have mysteriously vanished, many of them suspected victims of clandestine elements within the state security apparatus. The South African economy is in a shambles, and the country has been forced to postpone payment of many of its international debts. In some rural areas, such as the strife-torn eastern Cape, black unemployment is estimated to be as high as 60 percent.

The South African government, having expected so much, is itself disappointed with constructive engagement. It has reverted to old-style denunciations of American pressure as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

counterproductive, and it is furious over even the limited sanctions—worried that other nations may do the same or more and weaken the South African economy further. Far from strengthening its network of homelands, South Africa now finds itself having to think about dismantling them altogether or using them to create a new "federation." Its economic and military dominance of southern Africa is apparently intact, but it is not clear how long that will last if domestic turmoil continues. South Africa's formidable military machine is now required almost full time to help suppress internal unrest, despite a recently announced increase of 25 percent in recruitments into the police force.

Black South Africans are, if anything, becoming more disillusioned with the United States. Their impression is that although some sanctions have been instituted by executive order and American officials continue to condemn apartheid and demand further reforms, Washington is still collaborating substantially with the apartheid system rather than calculating further measures against the white government. It was particularly telling that when a clinic run by Winnie Mandela, wife of Nelson Mandela, the imprisoned leader of the ANC, was firebombed during the recent violence, she refused an offer of official American assistance to rebuild it.

According to the limited opinion polls that are available, Nelson Mandela remains the most popular black leader in South Africa; having been ignored by the United States all these years, it is difficult to imagine that he would be sympathetic to American concerns in South Africa's crisis. Some analysts believe that Mandela himself may soon be overtaken by the quickening pace of radicalization in South Africa; it may be that those who inherit his mantle will be overtly hostile to the United States. With President Reagan appearing at times to justify the excesses committed by the South African government under the terms of the state of emergency and at other times seeming to exaggerate the degree of reform that has already taken place, the United States is viewed increasingly by black South Africans as part of the problem rather than part of the solution.

Similarly, other southern African states are blaming constructive engagement for much of their own distress. In some cases, overestimating the degree of actual American influence on the South African government, they have developed unrealistic expectations of what the United States can do to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

improve their situations, and they are bound to be disappointed.

VIII

It is time for a new American policy toward South Africa that will help restore the reputation of the United States as a defender of human rights and racial justice in that country and will serve the broader interests of all South Africans and Americans.

There are, of course, important limitations on the American ability to affect the situation in South Africa. The U.S. military is not about to intervene on any side in any current or future crisis; it is foolish for whites or blacks in South Africa to believe otherwise (as some of them do). Nor can American leaders wave political or economic wands that will transform South Africa overnight. Indeed, American sanctions or moves toward disinvestment from the South African economy are sometimes more important on both sides as symbols than as practical measures; when sanctions are invoked, they should be carefully calibrated and thoughtfully applied. Given the level of suffering that already exists in the country, it is in no one's interest to destroy the South African economy or to induce further chaos in the country. And despite the frequent declarations from many quarters about the willingness of black South Africans to endure sacrifices in exchange for eventual freedom, it is not for the United States to condemn them to more abject poverty and deprivation. Disinvestment efforts within the United States should be directed only against particular firms that are known to have conducted themselves in an antisocial, regressive manner within South Africa. As for the continued presence of American business in South Africa, individual companies, evaluating their risks on the basis of hard-nosed, pragmatic criteria, are making their own rational decisions on whether to stay or not.

But there are some official steps that the United States can take in an effort to move South Africa toward meaningful change and full participation by all of its people in the affairs of the country. If Americans still want to try to assure that the South African transition occurs relatively peacefully and with a minimum of vindictiveness on the part of blacks, then there is little time left to act.

The first step, uncomfortable as it may seem to many Americans, is to restore a forthright atmosphere of public and private

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

confrontation to relations between Washington and Pretoria—precisely the sort of independent attitude that Mr. Crocker has eschewed. Internal and external pressure is the only thing that has ever produced meaningful change in South Africa. American officials need to become far more direct and persistent in their condemnations of apartheid. Speeches at the National Press Club in Washington alone cannot do the job. U.S. representatives in South Africa must be willing to denounce and even defy the system whenever possible, making clear their official and personal support for organizations like the UDF and Black Sash, the women's group that represents the victims of arbitrary "pass arrests" and other government actions. Some things may have to be said or done many times before they are believed or credited by disillusioned blacks.

All of this would have the immediate effect of helping develop a healthier, more vigorous multiracial opposition within South Africa, which would be far more difficult for the regime to crush if it clearly enjoyed outside support. If an American decision to confront apartheid more boldly also stiffened the resolve of other Western nations and ultimately led to a growing international vote of no-confidence in the leadership of P. W. Botha, that too would be a desirable turn of events. It is now obvious that as long as he remains in power, the National Party will not be able to form or endorse the alliances with other political factions that are necessary to head off full-scale civil war.

The current South African government, under the shortsighted impression that it has profited from a five-year interlude of conciliation with the United States, would be bitterly resentful of such a reversion to prior strategy by Washington. It would undoubtedly attempt once again to profit politically from American hostility and would proclaim, as it must, that this is the surest way for the United States to lose, rather than gain, influence in South Africa. But the truth is that South Africa has few other places to turn. It is dependent on the United States, in spirit as well as in fact; fellow "pariah states", such as Israel and Taiwan—its other current friends—simply cannot do for South Africa what America can do. And if constructive confrontation hastened the start of negotiations over real power in South Africa, which constructive engagement has failed to do, that would be a step forward.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

IX

Once having restored a proper sense of balance and confrontation to U.S.-South African relations, it would be important for the American government and private business interests to devise additional measures that might hurt the pride and prestige of the white South African government without inflicting undue economic damage on black South Africans. Some of the measures should be selectively instituted for predetermined periods, in response to particular events in South Africa, with the American government making it clear that they may be lifted if circumstances improve. Alternatively, if the situation continues to deteriorate, the pressures could be intensified.

The landing rights enjoyed by the state-owned South African Airways in the United States can be reduced or terminated. The availability of almost daily direct service between Johannesburg and New York, with only a stop in the Cape Verde Islands, is a great advantage to South African businessmen and officials, and since Pan American abandoned its service for economic reasons earlier this year, the South African state airline has a monopoly on the route's substantial profits. Far from considering this step, which has frequently been proposed in the past, the Reagan Administration actually expanded South African Airways' landing rights in the United States in 1982, permitting direct service between Johannesburg and Houston (later suspended). The cancellation of direct air service is a sanction the United States has frequently taken to demonstrate disapproval of actions by other governments—including the Soviet Union, Cuba, Poland and Nicaragua. Because of the importance to South Africans of their links to the outside world, this would probably be more likely to have an effect in South Africa than it did in those other countries.

The United States can take steps to reduce South Africa's privileged diplomatic status here. South African military attachés can be expelled, for example, especially in the wake of external raids and other objectionable actions by the South African Defense Force. The visa-application process for South Africans who wish to travel to the United States can be made as complicated and cumbersome as it is already for Americans who seek to visit South Africa. And if Pretoria proceeds with its policy of making it more difficult for American journalists to travel to South Africa, and to have the necessary access when they

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

do get there, then the number of official South African information officers permitted in the United States can be reduced.

The United States has recently sought South African permission to open a new consulate in Port Elizabeth to establish an official American presence in the troubled eastern Cape. The Reagan Administration must take care not to grant unnecessary concessions in exchange; South Africa already has four full-fledged and four honorary consulates in the United States.

The flow of new American technology to South Africa can be further restricted, especially as it relates to the repressive domestic tactics of the South African government and its raids against neighboring countries. President Reagan's restriction on the shipment of computers to South Africa had little immediate effect because most of the material to which it applied was already in South African hands or could easily be obtained from other countries. Rigorous steps can be taken, however, including the use of U.S. Customs Service agents and other law enforcement personnel, to be sure that other American technological advances do not reach the South African police or military, directly or through third countries. It would also be possible to improve American compliance with the international arms embargo against South Africa and to take further steps to prevent nuclear material from reaching the country. It is widely known that some American companies operating in South Africa are involved in strategic industries, and therefore in the regime's domestic and international war effort; this could be prevented with new federal rules governing American corporate behavior in South Africa.

The U.S. government can severely restrict, or even suspend entirely, its intelligence cooperation with the South African government. There is reason to believe that these ties have helped the South Africans far more than the United States, and they carry the implication that the United States is complicit in some of the worst abuses committed by South Africa against neighboring countries. One of the most troubling aspects of this problem is that some operatives of U.S. intelligence agencies and some State Department employees who have served in South Africa are outspokenly sympathetic to the apartheid policies of the white regime and have occasionally used their positions to thwart official American actions and directives.

The United States can seek to internationalize discussion of the South African issue by putting it on the agenda of the annual

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Western economic summits. This would be a way of coordinating economic pressures on South Africa, and also of trying to persuade recalcitrant nations, such as Japan, which has richly profited from its pragmatic relationship with South Africa (the Japanese have status as "honorary whites"), to go along with the measures.

X

Even more important, perhaps, are positive, lasting steps that the United States can take to demonstrate its sympathy for the black majority in South Africa and to show that it does not believe all change there must be white-led.

The United States must open a dialogue with the African National Congress and other black organizations that have widespread support among black South Africans, just as Secretary of State George Shultz has suggested the white South Africans themselves should do. Not to know what the ANC, the oldest black nationalist organization in South Africa, is thinking and doing is not only bad diplomacy but also foolish politics. If South African businessmen and white opposition politicians have recently held such discussions, certainly American officials will be taking no great risk by doing so. As it is, there is a feeling among some black South Africans that the attitude of the ANC may now be too moderate, in view of the pace of events within South Africa, and thus the United States may have to open relations with much more radical organizations. This contact with black South African leaders should take place at the ambassadorial level, both inside and outside South Africa, as a means of stressing the American rejection of the notion that the white government is the only meaningful political institution in the country.

The United States should send a black ambassador—a man or woman of international stature—to South Africa as soon as possible, to demonstrate important points of principle to South Africans of all racial groups. Above all, this would be an opportunity to emphasize the valuable role that black people play in a multiracial society and a system which South Africans often compare to their own. Some might complain that such an appointment smacks of tokenism, but if the ambassador behaved in an appropriate manner, his presence would be of more than symbolic value. For example, this new ambassador should attend the funerals of blacks killed by the police, political trials, and church services in black communities, as American diplo-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mats in South Africa used to do. He should provide facilities for the meetings of groups that are trying to organize peaceful protests against the apartheid system and, in other respects, make it clear that he is the ambassador of all Americans to all South Africans, not just of white America to white South Africa. He should not take it upon himself to play American politics in South Africa—as the current U.S. ambassador did when he denounced Senator Kennedy while introducing him at a meeting of the American Chamber of Commerce of Johannesburg—but rather should take it as one of his jobs to convey to South Africans the depth of American feeling against apartheid and the so far inadequate steps to dismantle it.

Massive aid programs, funded by the American government, foundations and business, should be instituted to help black South Africans attain better educations in a broad range of fields, from engineering to international relations. The money for such programs should be distributed to all South African educational institutions, regardless of their nature, but special attention should be paid to encouraging the further integration of the mostly white elite universities. The committees that decide how this money is to be spent should have a majority of black South Africans. American-sponsored educational programs already available have barely scratched the surface; what is needed now is an effort to help black South Africans learn how to help run their country, an eventuality that seems not to have occurred to the ruling whites.

The United States should offer publicly to send forensic pathologists and other experts from the Federal Bureau of Investigation into South Africa to help find South Africans who have mysteriously disappeared and to help determine the cause of death of those who have been found. This has proved to be an effective technique in Central American countries such as El Salvador, where the police do not always care to solve crimes. The South African police are accused of acting to frustrate, rather than advance, the solution of some crimes against black people, and such outside help might well be appropriate. If the South Africans at first refuse such aid, the United States should offer it again and again, until its refusal becomes an embarrassment and a liability to the white government.

The United States government, in conjunction with professional groups such as the American Bar Association, should also send legal aid to black South Africans. Although the legal systems differ in certain important respects, the American experience

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

with public defenders and government-funded legal services is an excellent example for the South Africans. American law schools and private foundations, for example, could help train black South Africans as paralegal workers, who in turn could establish elementary legal clinics in remote areas of the country, where the civil and human rights of blacks are the most egregiously and routinely violated; these paralegal workers could in turn report to lawyers, who make sure that the abuses are brought to the attention of the courts and the press. The American legal community could also assist the South Africans in the creation of a lawyers' organization in which blacks play a prominent role. (Such an association of doctors and dentists was recently established in South Africa, but unfortunately it is still not officially recognized by the American Medical Association.)

The United States should not only support the efforts of the black-led labor unions in South Africa, but where possible, should also send expert American union organizers to help them strengthen their institutions. Until and unless other structures are established, South Africa's black unions represent one of the few ways that the disenfranchised majority can become involved in political action, and American labor organizations have relevant experience to offer in this domain.

The American government should carefully monitor the performance of U.S. companies operating in South Africa, with a view toward creating and publicizing a list of those who treat their black workers badly. Indeed, American companies should be pressed by their government into playing a far more progressive role in South Africa—for example, by ignoring the Group Areas Act and establishing mixed housing areas where black and white South Africans can create de facto integrated neighborhoods. U.S. businesses operating in South Africa should also make every effort to visit any of their employees who are detained on political grounds and should establish a fund to be used for their legal defense.

The United States should help black South Africans increase and improve their means of communication with each other and the rest of the South African people. The exchange of South African and American journalists should be promoted, along with technical assistance in establishing black publications at the grass roots and black-oriented radio stations. Americans can help South Africans understand that a free press can often be one of the most important safety valves available to a society where there

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

is political discontent. Severe consequences should be invoked, such as restrictions on South African diplomatic personnel in the United States, if black publications are closed and banned in South Africa, as they often have been in the past.

XI

In sum, courageous efforts must be made to convince black South Africans that Americans identify with their plight and are willing to help. There have been times in U.S.-South African relations—before constructive engagement—when officials from the American embassy were the first to be called by black activists in moments of crisis, and there were even U.S. officials in South Africa who occasionally sheltered political fugitives or helped them escape from the country. This was a role more consistent with American principles than the current one of keeping a distance from anyone charged by the government.

Recent developments indicate that P. W. Botha, far from responding creatively to the American confidence in him, is resorting once again to repression rather than reform. Concerned about minor electoral losses on the right, he is ignoring the rumbling volcano of discontent on the other side, from blacks and whites alike. His recent curbs on domestic and foreign press coverage of unrest in South Africa are a sign that the last vestiges of decency—South Africa's last claims to be part of the Western democratic tradition—may soon be destroyed in the defense of apartheid.

The United States must clearly and unequivocally disassociate itself from such measures. And it must resist the ever-present temptation to use southern Africa as a place to score points in the East-West struggle. Only after America rediscovers its voice—and its principles—in South Africa can it hope to play a truly constructive role in the region once again.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Christine A. Bogdanowicz-Bindert

WORLD DEBT: THE UNITED STATES RECONSIDERS

It took three years of muddling through crises, near-panics in the financial markets, a million or so jobs lost in the United States, and social unrest in the developing world for the Reagan Administration to recognize the debt crisis for what it is: a long-term economic and political barrier to development that is slowly strangling world economic growth.

Ideology has, at last, given way to pragmatism. At the October 1985 annual meeting of the International Bank for Reconstruction and Development (World Bank) and the International Monetary Fund (IMF) in Seoul, Treasury Secretary James Baker announced that the United States was ready to shift gears and take a more active role in confronting the debt crisis.

Both domestic and international considerations prompted this policy shift. On the domestic front, a slowdown in the U.S. economy has exacerbated the difficulties of American agriculture and manufacturing, thereby stirring protectionist anger in Congress. Protectionism is gaining advocates even though to stem the flow of foreign goods would restrict the exports of Mexico, Brazil and other debtors, and thus prevent them from earning the foreign exchange they need to pay back their loans. The Administration is also increasingly concerned about the political impact in the debtor countries of the strict austerity programs and belt-tightening demands made by creditors.

For months, Fidel Castro has argued for a repudiation of debts, and the newly elected president of Peru, Alan García Pérez, has unilaterally announced that he will not devote more than ten percent of his country's export receipts to service debt. In his dramatic speech to the U.N. General Assembly, he declared, "It is either debt or democracy. . . . We believe the

---

Christine A. Bogdanowicz-Bindert is a Senior Vice President of Shearson Lehman Brothers, Inc. A former economist at the International Monetary Fund in Washington, D.C., she also teaches international banking at the Graduate School of Business Administration at Fordham University and at Columbia University. This article reflects the author's personal views.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

objective must be the unity of debtor countries and a radical change of the current situation."

Until recently, the Administration has ignored these more "radical" calls, but with Brazil and Mexico pleading for new opportunities for economic growth and Nigeria also questioning internationally imposed austerity programs, the U.S. Treasury fears that a revolt by a major debtor would be enough to threaten most U.S. banks and seriously shake up the international financial system. The case of most immediate concern is Mexico, the third-largest trading partner of the United States. The government there has fallen out of compliance with its IMF program, and thus put its multiyear rescheduling program with the banks at risk. The country has also been ravaged by an earthquake causing at least 7,000 deaths and possibly $4 billion in damages.

Against this bleak background has come the realization that, although efforts at economy in debtor countries are clearly needed, the question is how to distribute the burden of adjustment more equitably between debtors and lenders.

II

The contemporary debt crisis is new only in its magnitude. In the nineteenth century, nine state governments in the United States suspended their debt-service payments. Britain and France defaulted on payments to the United States during the 1930s, "on the grounds that their obligations to meet the needs of their people were greater than the legal obligations to creditors." A number of Latin American countries defaulted on their bonds in the nineteenth century and again in the 1930s. As recently as 1953, the United States reduced Germany's debt by two thirds and stretched the repayment over 35 years at a concessional interest rate of only three percent.[1] Although the circumstances were clearly different, this last example shows that the costs of adjustment can be distributed among creditors and borrowers instead of being borne exclusively by the debtors, as is currently the case.

Even during the boom years of 1948–1972, some debtors ran into difficulties and could not service their debts. In these cases, bilateral credits and credits granted by the export agen-

[1] Cited in Chandra S. Hardy, *Rescheduling Developing-Country Debts, 1956–1981: Lessons and Recommendations*, Washington, D.C.: Overseas Development Council, Monograph No. 15, June 1982, p. 41.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cies of industrial countries were, as they still are, renegotiated under the auspices of the Paris Club, an informal group of creditor governments.

By 1974, developing countries' debt amounted to $135 billion. Ten years later, according to IMF estimates, the combined debt of capital-importing developing countries was $830 billion.[2] On average, about 60 percent of this new debt (and over 80 percent in the case of Latin America) was loaned by commercial bankers, and for a practical operational reason. During the 1970s, as billions of petrodollars were deposited in Western banks and financial markets by oil-exporting countries, the deficits of oil-importing countries had to be financed. A solution readily presented itself: take the cash from one group of clients and loan it out to the other. Thus was born the process of "recycling." Bankers also invested billions of dollars in newly rich oil-exporting countries.

Only gradually did creditors and borrowers realize that this solution created a new problem, as most countries continued living beyond their means, without recognizing the grim realities of a new external environment. Huge projects were undertaken, standards of living were given an artificial boost and imports became more attractive than more expensively produced domestic goods. Between 1972 and 1979, the indebtedness of the less-developed countries (LDCs) increased at an annual average rate of 21.7 percent. Furthermore, many developing countries permitted capital to leave their borders by maintaining artificially overvalued exchange rates. Money loaned by banks to Third World governments was reexported by the private sector and invested back in the United States, where real estate or other investments appeared more attractive than local opportunities.

Credit was cheap in the mid-1970s; the interest rate charged by banks on dollar loans was often less than the rate of inflation in the United States. With interest rates negative in real terms, why not borrow more? Over time, the relative debt-service burden could be expected to diminish. The reasoning was not altogether flawed, providing the loans were properly invested in productive sectors that would yield a return at least equal to the rate of interest. However, as it happened, only about half the credits extended to developing nations were used in productive investments.

[2] This includes all developing countries except eight Middle Eastern oil exporters.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

When the second oil shock came in 1979–80, the developing countries continued to borrow, and approximately one thousand banks worldwide were eager to oblige. After all, as one leading American banker used to say, "Countries don't go bankrupt." The only worry the banks had to face when interest rates fluctuated greatly was that they might have to pay more for deposits than they were receiving from borrowers. So, after having lent for years at fixed rates, banks began lending on a floating-rate basis during those boom years, effectively passing on the interest rate risk to the borrower.

III

In October 1979, with double-digit inflation raging in the United States, the Federal Reserve Board decided to adopt the monetarist remedy of tightening the growth of the money supply. As a result, interest rates soared upwards and the U.S. economy plunged into recession. The prices of commodities, which give developing countries their main export revenues, fell sharply as the industrial countries' economies slowed and demand fell. By 1981, bankers switched to shorter maturities that they erroneously believed to be less risky, and eventually started cutting back their loans.

August 12, 1982, proved to be a fatal day. The finance minister of Mexico, Jesus Silva Herzog, made three phone calls to announce that Mexico had run out of foreign exchange reserves and could not continue to meet its external obligations. Herzog's three appeals for help went out to the managing director of the IMF, Jacques de Larosière, to Donald Regan, then treasury secretary, and to the chairman of the Federal Reserve, Paul Volcker.

Mexico had had problems before, in fact as recently as 1976, and other debtors had run out of foreign exchange at one time or another since 1974, most notably Zaïre, Zambia, Senegal, Jamaica, Peru, Poland and Turkey. However, never before had any country's debt problem reached the magnitude and complexity of that which Mexico now faced. Mexico's total debt exceeded $80 billion and almost 30 percent was due within one year. Moreover, the exposure of U.S. banks alone was enormous, equal to 44 percent of the equity of the country's nine largest banks. It was thus clear that the Mexican crisis, if not handled properly, would create a panic in the financial markets and have serious consequences for the world economic and financial system.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The response was a remarkable cooperation between governments and banks, orchestrated jointly by the IMF and the U.S. government. The assembled rescue package provided for postponing the payment of principal, for new flows of capital and for a drastic belt-tightening program in Mexico. In November 1982, Mr. de Larosière summoned the top executives of the leading commercial banks and, in an unprecedented move, told them flatly that the IMF would not approve a stabilization program for Mexico unless the bankers first agreed to restructure over $20 billion of Mexico's debt and provide $5 billion more in new loans, a seven percent pro rata increase in the exposure of Mexico's creditor banks.

The Mexico action set two important precedents. It propelled the IMF to the forefront of the debt crisis, and it set the pattern for all subsequent reschedulings. Since 1982, 38 countries have rescheduled their debts or are in the process of doing so. South Africa is the latest to join the long list of these countries, whose combined debt is estimated at about $550 billion.

The rationale for extending new credits while postponing the payment of principal is that a debtor-nation needs economic breathing space to succeed in increasing domestic savings and to accelerate the growth in production and exports needed to generate foreign exchange. But this scenario works only if one assumes a favorable world economic environment, namely three percent or more in economic growth and a standstill on protectionist tendencies in industrial countries. For debt-service burdens to become more manageable, real dollar interest rates would have to be lower. Finally, banks would have to be prepared to provide new credits, increasing their exposure at an annual rate of five to seven percent from now until the end of the decade.

Since August 1982, a general pattern for dealing with the debt crisis has emerged. When bankers sit down to negotiate with debtors they use Mexico as a yardstick. They claim there now exists a "rescheduling market" in which the terms and rescheduling conditions for each debtor are determined on the basis of its credit rating relative to that of Mexico. Although logical from the bankers' point of view, this means that those debtors in the worst condition have to pay the highest prices for assistance. Whereas banks, pressured by the U.S. government and the IMF, have lent additional billions to big debtors such as Mexico and Argentina, smaller debtors that do not

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

individually threaten the international financial system have been basically neglected. In sub-Saharan Africa, for instance, only the Ivory Coast has been granted long-term fresh money by the commercial banks in the context of rescheduling operations.

In 1984, Mexico improved the terms and conditions of its own rescheduling over the package of 1982, and most Latin American debtors derived some benefit from this precedent. But sub-Saharan African countries such as Senegal, despite their more difficult economic situations, did not benefit at all, and their rescheduling packages have typically been more stringent than those accorded even to small Latin American debtors. For African countries, banks have not rescheduled anything but arrears and debt payments falling due in one or two years. This means that every year creditors and borrowers must reconvene at the negotiating table. Planning becomes very difficult; the future conditions that may be required for the rescheduling of debts owed by African nations remain uncertain. It should also be noted that the Philippines and Yugoslavia, by contrast, have typically been treated more like the big Latin American debtors; developments in both of these countries could represent a threat to U.S. security interests, as well as to the international financial system, if things were to turn sour.

IV

During 1983–84, the world economic environment proved to be somewhat kinder to Third World debtors than anticipated. Growth within member countries of the Organization of Economic Cooperation and Development averaged more than three percent, fueled by very rapid improvement in the U.S. economy, which grew at 6.8 percent in 1984. The record American appetite for imports helped absorb expanded exports from debtor nations. Virtually all the increase in exports from Latin America between the first quarter of 1983 and the first quarter of 1985 went to the United States.

But the gains made in 1984 concealed some troubling underlying trends for the world economy. General commodity prices linger at an unprecedented low level. Typically, in a period of relatively strong economic growth, commodity prices should increase as demand becomes greater. In fact, however, dollar prices for non-oil primary commodities were about 11 percent lower in 1984 than in 1980. Oil prices, critical for

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

countries such as Venezuela, Nigeria and Mexico, dropped 16.6 percent from 1981 to 1985.

Although nominal interest rates have declined from their peak in 1980–81, they remain about six percent higher than inflation, making the cost of servicing debt extremely high in real terms. Finally, the rate of increase of new credits has been shrinking as banks have been reluctant to lend to those LDCs that are encountering debt-servicing difficulties. The only exception to this trend has been multibillion-dollar packages of credits organized under the auspices of the IMF. But even taking into account these arrangements, the rate at which new credits have been granted comes nowhere near satisfying the call of the IMF and the Bank for International Settlements for a five to seven percent annual increase.

The IMF predicts that the main industrialized countries will grow in 1985 at a rate of 2.8 percent, and the United States at only 2.6 percent. Furthermore, non-oil primary commodity prices are forecasted to decline by as much as 11.2 percent in 1985. Under such constraints, and coupled with a rise in protectionist tendencies, it will be difficult for debtor countries to increase their exports.

Against this background, the debtors' general capacity to implement strict austerity programs has been remarkable. According to the IMF, capital-importing countries reduced their current account deficits from $112.5 billion in 1981 to $37.9 billion in 1984, and this despite ever-increasing interest bills as principal went unpaid and new credits boosted the total amount of debt. Looking at the merchandise trade balance alone, these countries' efforts appear even more impressive: moving from a trade deficit of $65.1 billion in 1981 to an aggregate surplus of $15.2 billion in 1984.

This turnaround was the result of harsh austerity measures intended to reduce consumption. Under the auspices of IMF programs, developing countries devalued their currencies, phased out subsidies, increased prices of public utilities, restrained wage increases, tried to reduce the size of the public sector, increased interest rates, and slowed down the rate of credit growth. Trade and investment practices were somewhat liberalized and more market-oriented policies were adopted. In some countries, serious efforts to convert large parts of the public sector to private ownership were undertaken. Some countries—Mexico, Argentina, Chile, Costa Rica, Ecuador and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Ghana—have done much more than others, where rhetoric and reality have not always matched.

But the record of these IMF-inspired programs is not altogether positive. A large portion of the trade account improvement was due to sharp curtailments of imports, a step clearly unsustainable over a longer period of time. Exports by debtors, which got an initial boost from currency devaluations, are beginning to contract in some countries, such as Mexico and Brazil. In others, for example Argentina, the growth of exports is stagnant. Competition among LDCs for export markets is getting tougher, especially as world economic growth slows down.

Production in most developing countries has also been running below capacity, partly because of constraints on the importation of raw materials and equipment, partly because the private sector has been left with insufficient funds with which to operate. Huge currency devaluations, and thus increased costs of material, labor and debt have depleted working capital. In addition, investments needed to maintain infrastructure—roads, telephones and other services—have often been postponed, hampering production efficiency.

Within the developing countries, high inflation and slow growth have become the norm. According to the IMF, inflation in Africa in 1981 averaged 21 percent, and still amounted to 20 percent in 1984. And in Latin America, despite a short-lived improvement in some major debtor countries, inflation for the area as a whole more than doubled during the same period, averaging a staggering 117 percent in 1984. In both Africa and Latin America, inflation will probably be higher in 1985 than in 1984.

Economic growth in sub-Saharan Africa continues to lag seriously behind the high rate of population increase, further reducing already meager per capita income. Not until 1990, at the earliest, will Latin America recoup its 1980 standards of living. Unemployment and underemployment are widespread. Health and education services have declined dramatically; malnutrition and infant mortality have increased. The average citizen in developing countries today consumes fewer calories daily than in 1975.

With double-digit unemployment, more than half the working population holding only part-time jobs, and no social security safety net, the governments of debtor nations are clearly sitting on a social powder keg.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The IMF is often unfairly blamed for the harshness of these austerity programs. The uncertainty and shortage of funds received from both private and official sources is what constrains these countries' growth. The IMF staff has to deal in the real world, in which commercial banks are unwilling to lend additional money following a decade of mistaken enthusiasm and the U.S. Congress and public are reluctant to support increased multilateral and bilateral financial assistance. The IMF was created to finance *temporary* balance-of-payments problems. Long-term development and project financing was to be the responsibility of its sister organization, the World Bank.

The World Bank has been accused of sleeping soundly through the events of the last three years. That too is unfair. The Bank has been seriously hampered in its capacity to innovate and launch new projects by the skeptical attitude and suspicion of its main shareholder, the U.S. government. Some members of the Reagan Administration considered the World Bank too "socialist."

V

This was the situation that greeted James Baker when he became secretary of the treasury in January 1985. Ever the pragmatist, it took him only a few weeks to understand the gravity of the debt crisis. Mr. Baker was concerned about the stability of the U.S. banking system and possible repercussions on the world financial markets. He also saw the negative impact of prolonged stagnation in debtor nations on U.S. exports, and thus on employment. The possible political ramifications of a slow disintegration of debtor nations must have also been on his mind when he determined that the United States would take a more active lead.

On October 1, he and Mr. Volcker met with the chairmen of America's major banks, in itself a highly unusual step. The bankers were informed of Washington's new game plan and were sounded out as to the amount of credits they could provide to debtor nations. On October 8, Mr. Baker took the rostrum at the IMF-World Bank annual meeting in Seoul and told 9,000 delegates from 149 countries that the debt crisis could only be solved by an even closer cooperation of all parties concerned, more money from commercial banks, an enhanced role for the World Bank and more growth in the developing world.

The Baker declaration is significant. For the first time the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Administration officially recognized that the debt crisis is here to stay, and that austerity has to give way to growth. Furthermore, the chief financial officer of an Administration hitherto hostile to the World Bank stated that the Bank was ideally suited to provide support for medium-term economic reforms.

The commercial banks were asked to continue to lend to 15 heavily indebted countries, and to increase their exposure by at least 2.5 percent per year. This falls between the older proposals for five to seven percent growth in credits and the current reality of no spontaneous credit growth. In total, the banks will be asked to contribute $20 billion over the next three years. The list of countries includes Argentina, Brazil, Mexico, Venezuela, Uruguay, Chile, Ecuador, Colombia, Peru, Bolivia, Yugoslavia, the Philippines, Nigeria, the Ivory Coast and Morocco. Mr. Volcker, who helped in the design of the plan, has himself been urging banks to pledge these additional funds.

In addition, Mr. Baker called for the World Bank and other development banks to provide more assistance to debtor nations. Both the Inter-American Development Bank and the World Bank were asked to increase their disbursements to major debtors by roughly 50 percent, to $9 billion. The total package would thus amount to $29 billion.

Mr. Baker appealed to the World Bank to streamline its operations in order to reduce the time necessary to negotiate a program with borrowers and hence speed up actual disbursement of loans. He also proposed that the Bank provide direct assistance to the private sector of indebted countries.

Two other specific schemes were endorsed by Mr. Baker: the World Bank's Multilateral Investment Guarantee Agency is to provide guarantees for direct investments in developing countries, and $2.7 billion is to be recycled by the IMF Trust Fund, a facility extended to the IMF's poorest members in the 1970s. Debtors will have to make firm commitments to further strengthen their economies by adopting additional market-oriented economic policies, relying more heavily on supply-side actions such as tax and labor reforms, transference of inefficient state enterprises to the private sector, liberalization of trade practices and adoption of policies to attract more foreign investment.

Both bankers and debtors have responded cautiously to Mr. Baker's program. Bankers are wary of lending more money to countries already strapped for cash without receiving explicit

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

guarantees from the governments of industrial countries. Most debtors are concerned about additional new conditions that will be imposed and by the prospect that the IMF and the World Bank will combine forces against them. Small and poorer debtors are concerned about being left out.

VI

An increased role for the World Bank is clearly needed. But unless the United States openly backs both an increase in the World Bank's capital and changes in its lending practices—which so far it has refused to do—the Baker plan will fall short.

The World Bank should take a larger role in reviewing member countries' investment strategies and advising on structural reforms needed to increase production, exports and employment in the medium and long term. It has a unique expertise and a highly qualified staff in this field, and in fact, has already started working in this direction.

Conservative lending practices need to be relaxed, especially if increased capital contributions continue to be resisted by key shareholders. For example, the ratio of World Bank loans to its capital could be increased from its current conservative level of one to one. (This "gearing ratio" is typically twenty to one for U.S. commercial banks.) More financing could also be provided if the Bank switched emphasis from its traditional role of lending for specific projects to more structural adjustment loans. In cases where local currencies are difficult to mobilize, the World Bank should be permitted to lend one hundred percent of the cost of a project. Finally, the World Bank should put more emphasis on low-cost housing programs; such programs have a welcome democratic angle, usually have a very high local content, are low cost, and are typically very labor-intensive and thus will create new employment.

The U.S. proposal encourages World Bank co-financing with commercial banks, and this is already being tried in various forms. The World Bank may participate directly with commercial banks in syndicated loans; or it may join commercial banks in offering a floating-rate credit with a level payment similar to domestic mortgage arrangements in the United States. In the latter case, borrowers are in effect protected against rising interest rates since the periodic payments remain constant. When interest rates increase, a larger proportion of each debt-service payment is taken up by interest, and hence principal is repaid more slowly. The World Bank then refinances any

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

principal still outstanding at the end of the loan's original life, and thus ensures banks of timely payments. This creates, in effect, a cap on interest.

Another, and so far less frequently applied, alternative is for the World Bank to guarantee portions of a loan, particularly in the tail end of the maturities due. This guarantee applies to principal only. In order to obtain such a guarantee, bankers pay a fee which effectively reduces their rate of return. Such guarantees in fact reduce the risk that a debtor country will default, because the commercial banks are more willing to lend the amounts required. Provided such financing and guarantees are coupled with strict monitoring of the economic performance of the country, the chances of success increase significantly.

Collaboration between the World Bank and the IMF, as proposed in the Baker program, is not a new idea. Informal contacts have always existed between the two institutions, located across the street from each other in Washington, D.C. Their boards of governors hold concurrent annual meetings, and both institutions have evolved toward greater similarity to one another. The IMF, conceived as a vehicle for temporary relief, has adopted longer loan-adjustment periods, while the World Bank, in 1980, adopted measures to encourage macroeconomic reforms and supply-side measures. The IMF has also become operationally interested in investment and production and often asks the World Bank's staff for an evaluation of a country's investment program. The World Bank and the IMF have tried to coordinate more closely their approach to member countries and, in some cases, have undertaken joint missions.

But despite all the talk of cooperation, serious differences remain. The IMF generally confines its policy recommendations to macroeconomic policy; as such it operates more rapidly than the World Bank, which is more concerned with the details of how an economy functions. For example, the IMF typically recommends that the aggregate budget deficit be reduced, while the World Bank recommends specific cuts.

The fundamental point is that Mr. Baker's scheme can only work if it is lubricated with enough credit. The goals in his proposal are modest. Yet, even the proposed 2.5 percent increase in bank lending to the 15 debtors on his list may prove difficult to mobilize. The idea, floated for the first time in Seoul, of letting small banks opt out of new Third World

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

exposure altogether, leaving about one hundred international banks to shoulder the burden of future lending, is anathema to most major banks. Even the largest banks, mindful of their stockholders, have so far been reluctant to guarantee any plan for stepped-up lending, asking instead for concessions from the Treasury and banking regulators.

So far, Washington has insisted that no special treatment would be granted for these loans. Instead, Mr. Baker argues that banks should cooperate in their own interest: "They have got loans in trouble. It's possible that reflows will make bad loans into good loans," he stated before the House Banking Committee.[3]

European banks would also prefer not to lend more money. They would rather capitalize interest; a practice that goes against U.S. regulations. Banking and tax legislation in a number of European countries encourage the establishment of sizable loan-loss provisions; in addition, some countries have developed generous accounting rules which allow banks to form what are called "hidden reserves" that amount to the retention of untaxed cash. Thus, most European banks are sufficiently cushioned to absorb potential losses, in contrast to their U.S. counterparts. This is especially significant since at least one third of the $20 billion in new loans is to be provided by European banks.

VII

The United States must now show the bankers that it means business and gain the cooperation of other industrial countries. Export credit agencies need to increase their lending and guarantee programs; bilateral assistance should be increased significantly. Japan, which has the world's biggest current account surplus, clearly has a role to play, for its banks have the second-largest exposure in Latin America.

The Reagan Administration is considering Mexico as a candidate for trying out its new stepped-up international debt strategy. Mexico's gross foreign financing requirements for the rest of the year and 1986 are usually estimated at about $7 billion, and some analysts' estimates are much higher. Mexico clearly must remain a top priority; but with only $20 billion available for the debtors on Mr. Baker's list, will there be

[3] *The New York Times*, October 23, 1985.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

enough left for others? And are the others to wait on the sidelines while the strategy for Mexico is worked out among the concerned parties?

Mr. Baker's strategy is geared mainly toward dealing with the big debtors, those few that can hope for a resumption of voluntary credits. But what is the strategy going to be for smaller and poorer countries which should never have borrowed so much on commercial terms in the first place? Unless explicitly guaranteed by the World Bank or the U.S. government, credits to these countries will remain scarce.

Even the small debtors' relationship with the IMF is strained. Nineteen of these countries had arrears of about $400 million outstanding to the Fund at the end of August 1985. There must be a mechanism to clean the slate. These smaller countries need adequate financing if structural changes and investments in quick-yielding projects are to be implemented. One way of doing so would be to consider a formula which would establish a country's debt-service payments as a function of its export receipts and non-tied capital inflows. During the 1970s, a debt-service ratio of 20–25 percent was considered very high. Today the debt-service ratios of most small debtors are in the 40–50 percent range (even after rescheduling takes place). But the fact that such levels have become a sort of norm does not mean that they are sustainable. Under a flexible formula a country would allocate a portion of its foreign exchange receipts to debt service. The details of the formula and the exact percentages should be established on a case-by-case basis. The difference, if any, between the payments dictated by the formula and the interest actually due could be capitalized.

To stimulate growth, an additional portion of debtor countries' export receipts could be set aside in a trust fund either in local currency or in foreign exchange. The debtor government would use the money in this fund to make investments in productive sectors, to complete priority projects, and to inject capital into the private sector. In return for the reduction in debt-service payments, the debtor would allow a mechanism to be put in place to monitor the allocation of money in the trust fund, to ensure that it is invested appropriately.

Promising though it may sound, however, this scheme does not address the fundamental problem of many debtors: their debt is growing faster than their net export proceeds; they will simply never catch up. Reducing the rate of interest to be paid, whether by setting ceilings on the percentage of foreign ex-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

change allocated to debt service or by arbitrarily setting the interest rate below the market level, will not suffice.

For these countries, the banks and industrial governments should consider writing off part of the debt. There would not be any major consequences for banks or governments provided that countries benefiting from such a "radical" treatment do not present a risk to the system. The difficulty of such an approach is to find criteria to determine where the borderline should be drawn. In fact, a number of banks have already written down, though they have not written off, a sizable portion of their exposure to small debtors. These countries still have a contractual obligation to pay interest on the total amount of debt outstanding. A write-off by the banks for some countries would obviously have to be reviewed carefully, to examine the possibility that the debtor could further reduce imports, adjust its economy, or generate additional exports. To avoid any abrupt reduction of bank earnings, U.S. regulators and Congress might have to allow an extended period for the banks actually to write off such loans. A clause to guard against free rides would have to be included. Such a clause would stipulate that in the event a country enjoys a sudden, unexpected increase in foreign exchange receipts, for example because of a jump in copper prices, debt cancellations would be reviewed.

On balance, the U.S. recognition that the debt crisis is threatening the international financial and trade system as well as the political stability of debtor nations is a giant step in the right direction. Mr. Baker's bold initiative to launch a "Program for Sustained Economic Growth," with the U.S. government playing a more active role, needs some time to be fully assessed. But unless funds are mobilized to facilitate the process, the appeal for more cooperation among creditors and debtors may give way to a more confrontational stance. Expectations have been raised high; now they have to be fulfilled.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Riordan Roett

PERU: THE MESSAGE FROM GARCÍA

The inauguration of 36-year-old Alan García Pérez as president of Peru on July 28 opened a new and uncertain chapter in that country's tortured modern history. The youngest chief executive in South America, García has quickly reversed the image of a do-nothing presidency, replacing it with that of an energetic, driven national political leader. The dynamic young president is personally directing the government's attack against the progressive deterioration of the economy. He has challenged the fast-growing illicit drug trade. Since his inauguration, García has restructured the military leadership and purged the police, declared a war against corruption, promised to decentralize the national government, and cut the once sacrosanct military budget. He is actively seeking policies to undermine the messianic guerrilla group, *Sendero Luminoso* (Shining Path). To reestablish a link between the government and the governed, the president announces decisions and discusses new initiatives with the people from a second-story balcony of the presidential palace in downtown Lima.

At the international level, he has threatened to abandon the International Monetary Fund (IMF) if that institution insists on further domestic austerity as the price for its approval of an economic recovery plan. Further, the president has stated flatly that his government will dedicate no more than ten percent of its annual foreign exchange earnings to service the outstanding debt of $14 billion owed to private commercial banks, about $2.5 billion of it owed to U.S. banks. By mounting his own public campaign on the debt issue, García has effectively taken on Fidel Castro, who is attempting to polarize the debate on debt in Latin America. Moreover, García's declarations on

---

Riordan Roett is Professor and Director of the Latin American Studies Program at The Johns Hopkins School of Advanced International Studies (SAIS) in Washington, D.C. His most recent book (with Wolf Grabendorff) is *Latin America, Western Europe, and the U.S.: Reevaluating the Atlantic Triangle.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

debt have helped to redefine that issue as political and not merely financial.

In less than three months, García has thrown down the gauntlet at home and abroad. If successful, his efforts could reverse a pattern of decline almost two decades old and prevent a further unraveling of his country's fragile social fabric. Failure appears to leave few alternatives other than a sharp shift to the Marxist left or a new military government whose goals would be unclear. García's commitment to democracy and his concern to restore the vitality of Peruvian society are a challenge of the greatest magnitude. In the context of a beleaguered Latin America, his stance may well be the most dramatic experiment now under way to demonstrate that social and economic reforms are compatible with democratic institutions.

II

Recent history has not been kind to Peru. A period of rapid economic transformation in the 1950s and 1960s exacerbated glaring social inequalities in a society that was generally viewed as among the most traditional and hierarchical in Latin America. A well-meaning but ineffective civilian government in the 1960s failed to deal with the increasing tensions generated by uneven growth; a military regime seized power in 1968 and set out to revolutionize the country. The government of General Juan Velasco Alvarado (1968–1975) launched a costly series of reforms that sought to integrate Peru's forgotten indigenous population into national life. Agrarian reform was implemented and workers were included in cooperative management schemes in the industrial sector. The state's involvement in the economy expanded, but most of the new enterprises proved to be uneconomical.

Because of the radical thrust of the Velasco government, there was a net outflow of capital. Low internal levels of savings led to increased dependence on foreign borrowing. The government resorted to deficit spending for capital projects. The admirable social goals of the 1968 revolution resulted in failure due to poor planning, fuzzy ideology, a lack of investor confidence and the authoritarian nature of the generals' political model. While they talked a great deal about participation and equality, these were to be bestowed upon the Peruvian people by the government as gifts. The tutelary nature of the revolutionary regime soon generated opposition and animosity. These forces, combined with the failed economic model,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

proved irresistible; the generals turned on Velasco and replaced him with General Francisco Morales Bermúdez in 1975.

The government of Morales Bermúdez could do little to reverse the calamitous decisions of its predecessor. Institutions destroyed are not easily replaced. Harsh reality dictated retrenchment, so an austerity program was instituted. The government devalued the national currency, restricted imports, removed price supports and resorted to stand-by credit from the IMF. As a result, the country was hit by a series of workers' strikes and popular demonstrations. The military government prepared to abandon its tattered revolution and opened political negotiations with civilian political parties. A constituent assembly was elected in 1978 to write a new constitution, which was approved in 1979.

Presidential elections in 1980 returned to office Fernando Belaúnde Terry, who had been ousted by the armed forces in 1968. Well intentioned, as always, the aging president appeared unable to comprehend his task. The government gave the impression of exhaustion even as it took office. Unable to follow through on its own initiatives, the administration spent five years in equivocation and flights of fancy.

Meanwhile, the economy further deteriorated due to poor management, the impact of adverse climatic factors and the downturn in the world economy. The Peruvian economy is a dependent economy. Its chief exports, petroleum and copper, are regulated by world market prices which have continued to deteriorate in recent years. Other exports, such as textiles, face protectionist pressures in the industrial countries. The worsening of the terms of trade has been accompanied by high fiscal and current account deficits. While it is true that the deficits were accumulated primarily during the 1970s, the Belaúnde government did little to correct the situation. The economic outlook became even more bleak in 1983 when drought and flooding badly damaged agricultural output. The gross domestic product fell by 12 percent that year alone.

In reaction to this economic decline and the drift of the national government, a coalition of the Marxist left captured the key post of mayor of Lima in 1983 for the first time. More ominously, in the hinterland of Ayacucho province a rural guerrilla group appeared, the *Sendero Luminoso,* determined to uproot and destroy contemporary Peruvian society and rebuild it along classless lines.

The Belaúnde administration's efforts to quell the *Sendero*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

menace led to increasing violence in rural areas on both sides. Accusations of human rights violations by both the armed forces and the *Sendero* escalated. The government resorted to governing through states of emergency. The *Sendero*'s tactics began to have an impact on Lima itself, through frequent bombings and costly attacks against the city's electric power network. Buffeted by urgency and despair, the Peruvian people searched desperately for new leadership. By 1984, Alan García had attracted national attention and quickly became the man to beat in the 1985 presidential elections.

III

The striking features of Alan García's election are not only his youth and relative inexperience in national politics, but also the fact that he is the first president of Peru from the American Popular Revolutionary Alliance. In the past, APRA has been denied access to that office by the military, although it is Peru's oldest and best-organized political party. Understanding APRA is essential to understanding Alan García and his approach to governing Peru.

APRA was founded in 1924 in Mexico by Víctor Raúl Haya de la Torre, García's political mentor. Haya, as he was called, organized a pan-American political movement that sought to fight imperialism, internationalize the Panama Canal, foster the political unity of Latin America, nationalize foreign-owned property and industry, and express solidarity with the oppressed peoples of the world.

Of middle-class origins, Haya was born in the coastal agricultural city of Trujillo. While studying at San Marcos University in Lima, he championed the concept of popular universities as a means of establishing a common bond between workers and students. He actively backed the demands of Peru's working class for a greater share in society. Haya and other student intellectuals also championed Peru's Indian majority and called for a return to communal work patterns which had characterized the region prior to colonial domination. As a result of their agitation for change, the government exiled Haya and a number of other student leaders in 1923. Haya then founded APRA, which offered a new political alternative for the lower and lower-middle classes entering national political life for the first time.

Haya spent seven years in exile. During that time he visited the Soviet Union and determined that the revolutionary model

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

supported by Moscow was inappropriate for Latin America and especially for Peru. APRA's efforts to play a hemispheric role faltered but the party became a key actor in Peruvian politics for the next half-century. The party's electoral strength was based primarily in the modern agricultural and mining areas of the country.

Returning home in 1930, Haya challenged the dominant oligarchy in Peru. Declaring that "only APRA can save Peru," the party confronted the country's established interests, military and civilian, both in elections and through armed violence. In a series of bloody confrontations in the 1930s and 1940s, APRA attempted to seize the government by force. Party members were responsible for the assassination of leading conservative figures, including the president of the republic in 1933 and the editor of the leading conservative newspaper in 1935. APRA had earned the enmity of the armed forces in 1932 in an uprising in the city of Trujillo, an APRA stronghold, in which a number of officers and soldiers were killed. Haya de la Torre attempted to stand for election three times (1931, 1962 and 1963), but each time the military vetoed his candidacy or annulled the election results.

APRA's bold commitment to transform Peruvian society was revolutionary in its early days; however, it was neither Marxist nor communist but, rather, nationalist in inspiration. In fact, APRA has proved to be an effective counterweight to communism in national political life. With time, APRA and Haya moderated their radical stance. But it was not until the late 1940s that the country's political elite felt comfortable sharing power with the party—and then only in the legislature. But even so, as late as the 1950s, Haya was forced to take refuge in the Colombian embassy in Lima to escape imprisonment or worse.

In the presidential elections of 1962, Haya stood as a candidate. His opponents were Fernando Belaúnde Terry and General Manuel Odría, a military populist who had ruled Peru from 1948 to 1956 and who had persecuted him in the 1950s. It is generally believed that Haya won the 1962 balloting, but the military cancelled the results, installed a military government and called for new elections the next year. The candidates were the same in 1963, but with the backing of the armed forces, Belaúnde Terry gained the presidency. His term of office was made difficult by an alliance of convenience in the national legislature between Haya's *Apristas* and the followers

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of Odría, who together blocked the government's efforts at instituting reform measures. APRA's unwillingness to cooperate with Belaúnde encouraged the military to overthrow what thus appeared to be an ineffective and isolated Belaúnde administration in 1968. The specter of a 1969 presidential candidacy by Haya also served to justify the coup d'état. With the military intervention, political party activity came to a halt.

Enter Alan García. The son of APRA militants, García has been an APRA activist since his childhood, joining the party at age 11. His father was in prison during the first five years of García's life because of his militancy in APRA. After university training in Lima, García departed in 1973 for Madrid and Paris for postgraduate study in the social sciences. He returned to Peru in 1977 as the armed forces moved to yield power. In the constituent assembly in 1978–79, over which Haya presided, García served as his chief aide. With Haya's sudden death in 1979, a struggle for power erupted between factions of the party. After the overwhelming defeat of the APRA presidential candidate by Belaúnde Terry in 1980, García joined a faction that sought to renovate the party's image.

Selected as party secretary-general in 1982, García quickly became the dominant figure in the party and captured the presidential nomination in 1984. He had served only one term of office in Congress, and his entire previous political experience had been as an APRA militant. He struck a number of responsive themes in the presidential campaign—integration of the Indian population, an emphasis on agricultural development, decentralization of the size and scope of the national government, and an offer of hope for the country's poor. The campaign promises were part and parcel of APRA's program since the 1920s. With the 1985 election results, Haya de la Torre's belief that "only APRA can save Peru" is finally to be tested.

IV

García took office committed to action and to change. He found a Peru in which 50 percent of a population of 18.7 million were unemployed or underemployed. Because of the combined factors of economic decline, austerity and inflation, the purchasing power of the average wage earner is 40 percent less than it was a decade ago. It is estimated that per capita income has fallen to 1965 levels. In spite of efforts at reform and redistribution by successive governments, two percent of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the country's population own 60 percent of the wealth, while the poorest 38 percent survive on two percent of the nation's annual gross domestic product.

A few days following his inauguration, García instituted an austerity program—without urging from either the IMF or the commercial banks. The government froze the price of basic goods, tightened exchange controls, raised gasoline prices, devalued the national currency and slashed interest rates. Soon thereafter, the president successfully pressured privately owned companies to lower their prices on critical items such as prescription drugs and food staples. To demonstrate that he meant business about reducing the size of the state bureaucracy, he fired two of every three managers of the bloated state corporations and set a ceiling on government salaries. As a signal to the military that the armed forces budget would not be spared, García reduced Peru's order of 26 Mirage jet fighters. The program is generally acknowledged as a tough response to the terrible state of the economy and indicates the APRA government's awareness of the need to institute adjustment measures at home.

García announced a "second phase" of his economic austerity program in October 1985. Interest rates were cut for the third time since he took office. Real wages moved up slightly; a long list of imports were banned; the official exchange rate against the dollar was frozen until the end of 1985, and there was a selective relaxation of price controls. Holding down inflation remains a key goal; the monthly rate fell from more than ten percent at García's inauguration to less than 3.5 percent at the end of the year. While experimental, the recovery program appears both to address real economic issues and to convey to the Peruvian people the impression that the government is at work—and knows what it is doing. Moreover, the program has gained increasing support from the private sector in Peru and grudging respect from external observers. There is no guarantee that the program will ultimately succeed—but very few who know the Peruvian economy believe that García had many alternatives.

Next, García confronted the drug trade. In the last decade or so, coca paste and the finished product, cocaine, have become Peru's largest exports, valued at approximately $500 million a year, shipped primarily to the United States. Previous governments either ignored or were implicated in the drug trade. García has chosen to confront an issue which, as he

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stated in his 1985 address to the General Assembly of the United Nations, "corrupts institutions and degrades man." In that New York speech, the president announced a series of punitive measures such as raids on drug traders and coca crop eradication. It is estimated that this government's efforts resulted in the destruction of more than 80 tons of cocaine in its first two months in office, which has a street value in the United States of $5.6 billion.

García has promised to continue to press his campaign. The drug cultivation question is a delicate one for the Peruvian chief of state. In many parts of the interior, coca cultivation provides the only cash income for Indian families. When enforcement, eradication and crop substitution programs financed by the United States began in 1982, the local economy suffered. Soon, the *Sendero* guerrillas moved into the area to exploit native discontent. The anti-drug program came to a halt when the armed forces moved into the region and said that they would fight subversion—the *Sendero*—but not narcotics. The cultivation resumed and grew. The García administration faces the political necessity of finding a substitute livelihood for the local population. That is a key reason for the APRA emphasis on development programs for the interior of Peru.

In the past few years, the struggle against the *Sendero* has become the top priority of the Peruvian armed forces. Increasingly, the army has been accused of military atrocities against the *Sendero* forces and civilians whom it suspects of collaboration, often with little or no evidence. García, to dramatize his commitment to seek a new solution to the guerrilla problem, fired the chairman of the Joint Chiefs of Staff of the armed forces in September when it became known that he had not revealed in full the complicity of the military in recent civilian executions. The president has appointed a commission to investigate human rights abuses and to review the cases of 1,500 suspected terrorists who await trial. Army officers will stand trial for the death of civilians who have been killed by the military. In response to popular discontent with the three police forces in Peru, he has purged the leadership and sought new commanders untainted by long-standing accusations of corruption, incompetence and brutality.

In an effort to deal with the growing guerrilla threat posed by the *Sendero* and two smaller splinter groups, García has indicated his support for a dialogue and future negotiation by

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

appointing a six-man peace commission. This has increased his popularity with the left, even though it is unlikely to bear fruit. Other efforts in Latin America, notably in Colombia, have failed to reconcile revolutionary guerrilla groups with civilian government. But García hopes at least to communicate his concern to the people of Peru by a gesture of negotiation. His principal emphasis will be to eradicate the base of support of the movement in the countryside through rural development. As García stated at the United Nations:

> We will fight subversion with resolute firmness but with respect for the law and for human rights. We acknowledge that a subversive action has been possible not only because of a lack of foresight and the absence of a well planned social and economic policy but because subversion has been nourished on the exasperating poverty in which millions of neglected compatriots are living.

All of these energetic—and largely symbolic—gestures to date seek to create a mood of hope among the people of Peru. García is everywhere—talking, cajoling and overseeing government action. He believes that he must be seen and heard, whether holding cabinet meetings in small cities of the interior or visiting Indian communities to distribute small amounts of money for local development projects. A key to understanding his energetic style of governance is the delicate internal political balance in Peru and the foreign debt.

V

In the 1985 national elections, the moderate/conservative political forces that had dominated the government for decades were badly weakened and may never recover. Many Peruvians feel that these forces had their chance and failed. The combined forces of the former majority, Belaúnde's Popular Action Party and the conservative Popular Christian Party, drew less than 20 percent of the national vote. APRA received 47 percent and the Marxist United Left won 23 percent. Thus, the viable national political spectrum now comprises APRA and the left. To guard his domestic political position, García must act to steal the thunder of the opposition—which he has done to date with success. And though his party has a working majority in both houses of Congress, there are members of APRA in both houses with greater political affinity on social issues with the left than with García's moderate socialism. The president needs

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to consolidate his majority by demonstrating that he is both concerned and competent.

The external debt, the private commercial banks and the IMF are anathema to the left in Peru. It has called for an outright repudiation of the debt. García's strong language and confrontational style on the debt question are basically for internal political consumption. He knows that he and APRA cannot afford to lose the initiative on championing the country's sovereignty and autonomy. The government must also take the lead in stating, and repeating, its unwillingness to sacrifice Peru for the debt. García also made that point clearly at the United Nations:

> The debt has become a conflict between the poor South of our American continent and the industrial, imperialist, and financial North. . . . My responsibility as Head of State is to the Peruvian people, that is for me the first creditor and that the Peruvian Government has been elected by the people, and not by some financial cartel to satisfy its appetites. . . . We are faced with a dramatic choice: it is either debt or democracy.

García's statement in his July 28 inaugural address, repeated frequently since then, that he would only apply ten percent of Peru's export earnings each year to service the debt, is for internal consumption as much as it is an international bargaining position. Peru's exports in 1985 are estimated at $3.3 billion. Interest payments due this year total $1.7 billion, with a further $2.4 billion accumulated from 1984. It has been pointed out that a ten-percent payment will exceed the amount of debt servicing by the Belaúnde government last year, although that appears to draw little sympathy from Peru's creditors. García's threat to abandon the IMF if it insists on strict austerity measures is meant to be heard primarily at home. Although the government's position with regard to the IMF is appropriate for domestic political purposes, it has drawn little support from other Latin American governments. And it has created an image of intransigence among the industrial countries and the international financial institutions.

The vulnerability of Peru's position has been made clear by two incidents. The first took place at the meeting of the World Bank and the IMF in Seoul, South Korea, in October. In announcing a new U.S. initiative on the debt crisis, Treasury Secretary James Baker clearly and publicly disapproved of Peru's position on financing its debt payments. Then, federal

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

banking regulators decided to force U.S. banks to set aside special reserves on their loans to Peru. That decision will make it very difficult for the Peruvian government to secure new loans until the ruling is reversed. It was the first time that the U.S. regulators have taken such a step with a significant Latin American debtor country. Unless Peru is able to convince its creditors of the need for its radical position, it may well be on a collision course with them.

García has clearly linked the debt burden with the economic and social malaise of his society and the increasing wave of guerrilla activity and rural violence. He understands that his political position at home will reflect his capacity to protect Peru's interests—and no one else's. Part of an APRA-inspired shock treatment, his stance is meant to maintain popular support, the basis of García's legitimacy as president. And it reflects a decades-old commitment of APRA to transform Peru, to be wary of external influence and to protect the nation's sovereignty while identifying with the oppressed peoples of all the Third World. In Alan García, theory and practice come together in an eclectic and not necessarily orderly way. But no one should doubt the depth of those convictions and his determination to succeed. He truly believes that if anyone can save Peru, it will be Alan García.

VI

If García has seized the imagination of the people of Peru, it is fair to say that he has quickly captured international attention as well. His July inaugural address, while dominated by his announcement of his debt-servicing policy, staked out a broad activist position for Peru in international affairs. He called for greater Latin American unity in dealing with the United States, which he termed "the richest and most imperialist nation on earth." He offered Peru's support for the efforts of the Contadora group, which is seeking a negotiated settlement to the conflict in Central America. Significantly, in a country where more than one fourth of the budget goes to the military, García also called for an end to the regional arms race.

García has joined Argentina, Brazil and Uruguay in forming a "support group" for the Contadora negotiations. He has urged his fellow hemispheric leaders to seek Latin policy responses to the international debt crisis. In a bizarre twist, García found himself pitted against Fidel Castro of Cuba who also seeks a regional leadership role. Castro's cheeky message to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

García stated that Peru was a country exhibiting the greatest "social inequality and misery of all kinds" in Latin America. The communiqué continued by saying that:

> If you decide to fight seriously, firmly and consistently against this Dantesque panorama of social calamities and to liberate your country as you have promised from the domination of and dependence on imperialism, which is the only cause of this tragedy, you can count on Cuba's support.

García's public response was restrained, but he has lost no opportunity to note that while Castro urges Latin America to abandon its debt burden, Cuba faithfully and punctually services its outstanding debt. García argues that Peru and other Latin American nations will repay the debt—if and when they can afford to do so without the imposition of further intolerable sacrifices on their people.

García has taken the lead in his short time in office to seek to establish an ongoing dialogue among Latin American political leaders. True to APRA's historical commitment to hemispheric integration, García has made it clear that his goal is to reinforce the region's autonomy—not to take sides in the East-West struggle or to identify the United States as a scapegoat for Latin America's current problems.

In this regard, a note of caution for Peru's leadership is appropriate. While the United States and its allies need to understand President García's rhetoric in Peru's domestic political context, Peru must also evaluate the external impact of that rhetoric with great care. While the United States is the richest nation and may indeed be "imperialist," its role in defining Peru's—and Latin America's—economic future is significant. The necessity to consolidate internal political support should not blind the new government to the need to communicate its goals effectively, if quietly, both to Latin American leaders and to the governments of the industrial countries.

Indeed, the United States and Peru have a common agenda on which cooperation is essential. Both countries want to control and eradicate the nefarious coca that Peru produces and the United States consumes. Also, U.S. security interests in the region are served by any reduction in a regional arms race. A stable, democratic Peru, willing and able to undertake internal social and economic reforms, offers the prospect of future political stability in a key country in the Andean region. U.S.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

business interests in Peru are extensive and the country will need continued support from the private sector as it seeks to resume economic growth.

Recent events are cause for concern. An apparent lack of communication between the United States and Peruvian delegations in Seoul at the World Bank-IMF meetings indicates the need for forceful diplomacy by the García administration. The recent decision by the U.S. bank regulators to reclassify Peruvian loans reduces the space for maneuver between García and his country's creditors. Peru's decision in August to rescind the operating contracts of three foreign oil companies over tax credit provisions has sent a signal to the private sector that threatens needed future investment. While there are recent signs of flexibility with regard to the oil contracts, the negative impact remains strong.

The key to collaboration is U.S. understanding of the severe social and political constraints under which García must maneuver. With the exception of Bolivia, the situation in Peru is the most desperate on the South American continent. Years of either revolution or neglect, combined with natural calamities, have created an intolerable social and economic situation for Peru's population. But the Peruvian chief executive needs to know that perceptions in Washington often fashion policy. To the degree that Peru is perceived as an antagonist or an unreliable partner, the less interest there will be in the policy-making community in providing assistance and support.

Strident posturing that attempts to shock the international community accomplishes little of value. Peru has nothing to gain from isolating itself from the industrial countries, particularly the United States. As Alan García understands, politics is the art of the possible, and it needs to be applied both at home and abroad.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Jorge G. Castañeda

MEXICO AT THE BRINK

Mexico's famed political stability has not been destroyed by the country's current economic crisis. But that stability can no longer be taken for granted.

Over the past half-century, the Mexican political system has brought economic development, albeit unjustly distributed, inefficiently planned and plagued with waste and corruption. It has ensured social peace and political continuity, although with recurrent repression and electoral fraud. And it has maintained peaceful relations with the United States, despite asymmetries, irritants and sporadic confrontations. These three pillars of Mexico's stability, which is unique in Latin America, are not yet crumbling, but all are growing weaker, as is the political system they sustain.

The causes of Mexico's deepest crisis in modern times are clearly economic; the crisis is rooted in the country's 1982 financial crash and has been compounded since then by economic stagnation, austerity measures and the devastating earthquakes that hit Mexico in September. But the most immediate and acute expression of the crisis is political. Though the consequences of a breakdown in the political system would be chiefly domestic, there could be grave repercussions for the United States.

President Miguel de la Madrid has encountered many unsolvable problems since he took office in December 1982: a present-day $100-billion foreign debt; a five-percent drop in GNP in 1983 with no prospect of renewed economic growth; rampant corruption at most levels of national life; a country disappointed in itself, questioning its direction. But the principal challenge the president, and Mexico, face today is the total lack of credibility in the political system.

Results from a poll taken last June and published in *Excelsior*, Mexico's leading daily, underline this fact. When asked

---

Jorge G. Castañeda is a Graduate Professor of Political Science at the National University of Mexico and political commentator for the Mexican weekly, *Proceso*. He is currently a Senior Associate at the Carnegie Endowment for International Peace in Washington, D.C.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

whether government officials lied or told the truth in stating that the country was emerging from its economic crisis, 88 percent of those interviewed replied that the officials were lying. Likewise, when asked if they believed whether the results of the then upcoming elections would be respected, 55 percent said no, and only 13 percent answered in the affirmative.

II

The country's long-lasting stability comes from a combination of just enough democracy: elections, at least in name; a certain freedom of the press; a degree of tolerance for most forms of opposition; and just enough authoritarianism: electoral fraud; silencing excessive criticism of the government and the president; cooptation, corruption and repression, in that order, of the insufficiently loyal opposition. The Revolutionary Institutional Party (PRI) has been in power for five decades, but no president has succeeded himself. The only one elected to a second term, Alvaro Obregon in 1928, was assassinated. Thus, while the faces and the ways of climbing the political ladder may change (if not the ideas), the so-called political class has maintained its hold on power.

Through the years, the system's mainstays—the organized labor movement, the peasantry and the federal and local bureaucracies—were kept happy, loyal and politically apathetic by the trickling down of just enough economic growth, job creation, land distribution and social services. Even the new urban middle classes created by this economic growth, which averaged six percent a year from 1940 to 1982, were incorporated into the system. Thanks to a high degree of social mobility and cheap, readily available dollars before 1982, they were assured relatively easy access to a modern, affluent way of life.

The country's lack of democracy was not perceived to be a problem. True, the PRI had won every presidential, gubernatorial and senatorial election, and 95 percent of all congressional and municipal seats, since 1934. But being unaccustomed to free elections, public debate, a critical press or an accountable government, Mexico's Babbitts were content with continual improvements in their living standards. Little did they mind the backwardness of a political system increasingly at odds with a rapidly modernizing society.

Thanks to its traditional vote-gathering mechanisms in the countryside, in the poorer southern states, and within certain

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sectors of the labor movement and federal bureaucracy, the party has won, and generally will continue to win, with no more than its usual doses of electoral fraud. Mexico has long been accustomed to evident but limited amounts of fraud in many places, or to extensive yet discreet ballot-stuffing and polling booth intimidation in a few localized areas. On the whole, voters have accepted a generous amount of this electoral "alchemy," as it is known in Mexico, as a fact of their political life.

The 1968 student movement, quashed by the massacre of more than 400 demonstrators, was an early but largely unheeded warning that Mexican society was changing. Subsequent governments reacted by providing a little more democracy and, for a while, much more economic growth. It should have been the other way around. When, by 1982, in spite of massive oil finds and a superb international credit rating, high levels of economic growth could no longer be sustained, the mistaken ways of previous years caught up with the system.

Mexico's overriding political problem stems from a simple and unalterable fact: the system, which has been traditionally clumsy in its handling of the middle classes, can no longer deliver the economic growth and prosperity that these classes now expect as a matter of course. At the same time, the political system does not feel it can grant them the additional measure of democracy which might be an acceptable alternative. Political wisdom dictates that one does not open up a political system in the midst of a severe economic crisis. Not, in any case, if one wishes to remain in power.

Surprisingly, President De la Madrid did toy with the idea of political liberalization in 1983, the first year of the drastic economic adjustment. The outcome of municipal elections in the northern border state of Chihuahua, one of the most modern and wealthy, was fully respected. This decision proved a disaster for the ruling party; the conservative, middle-class, pro-U.S. Party of National Action (PAN) swept the seven main city councils, and won the mayoral races in both Chihuahua, the state capital, and Ciudad Juárez, the country's fourth largest city.

The timid experiment in democracy was nipped in the bud. The following year, the PRI handily won municipal races in Mexicali and Tijuana, large and prosperous border communities; in several cities of Sinaloa, an affluent agricultural state on the Pacific coast; and in the central city of Puebla. Similarly,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

PRI victories were announced in local elections in the communities of Piedras Negras, Frontera and Monclova in the border state of Coahuila at the end of 1984. But the opposition protested what it saw as massive electoral fraud by the authorities; the protests, as well as local internal divisions within the PRI, led to widespread violence in Piedras Negras and Monclova. Concerned by the implications of riots and civil strife along the U.S. border, President De la Madrid ordered the army into Piedras Negras. The violence was quickly halted, but the solution was possibly more provocative than the problem itself.

The PAN, most of the participating leftist groups and many independent observers felt that, had the election results been respected as in Chihuahua, the PAN would have won most of these races. There are a number of reasons for this assessment. Mexico's northern region has borne the brunt of the economic crisis, particularly the states of Baja California, Sonora, Chihuahua, Coahuila and Nuevo León. The frequent devaluations of the Mexican peso (from 25 pesos to the dollar in February 1982 to almost 500 pesos as of November 1985) have had a devastating effect on this region, whose economy has more extensive links to the United States than the rest of the country.

In addition, the region's close contact with the United States leads its inhabitants to compare their living standards and political fate with those of their U.S. neighbors. Such comparisons are delicate, though inevitable; they tend to fuel unrealistic and unfulfillable expectations. Also, since the north is the most affluent part of the country, along with parts of Mexico City, its population is more demanding and critical of the government's typical corruption, cronyism, waste and general incompetence.

Disaffection in urban areas was evident in national congressional elections held last July 7. Although the official returns showed that the PRI obtained 65 percent of the vote nationally, it polled less than 45 percent in the nation's five largest cities combined: the capital, Guadalajara, Ciudad Nezahualcoyotl (outside Mexico City), Monterrey and Juárez. The PAN's share of the vote, again according to the official count, was reported to be 15.6 percent nationwide.

It is difficult to ascertain what the real results of these elections would have been if there had been no fraud. Independent analysts and most opposition parties on both the right and the left have estimated that the nationwide fraud in favor

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the PRI hovered around nine percent. If so, the PRI's true score would be not 65 percent but approximately 56 percent, and that of the PAN about 22–23 percent.

Reliable estimates of fraud at the local level are next to impossible to make. According to most accounts, it was so widespread in the northern states of Nuevo Leon and Sonora that the official election results for those states were meaningless. In seven of the country's eight most populous and prosperous states (the Federal District, Jalisco, the state of Mexico, Chihuahua, Nuevo León, Baja California and Sonora), which make up 42 percent of the registered voting population, the PRI won less than 55 percent of the vote. This estimate is based on official figures for five of the states and conservative estimates for Sonora and Nuevo León, where the PAN's support is strongest. An estimate of the PAN's true score over all seven states would be about 25 percent.

The magnitude of fraud does not mean that the PRI would have necessarily lost if free and fair elections had been held. The point is that the opposition, though still a minority, is larger in some areas than the national tally indicates, even when adjusted for fraud. More important, these estimates indicate that the PRI is losing its electoral hold on the urban, middle-income, "modernized" classes in the north and to a lesser extent in the central region.

The political system as a whole has already lost the support of the prosperous, "developed" segments of Mexican society. It is no longer truly representative of key social strata such as lawyers, doctors, accountants, lower-income clerks, shop owners and even some local bureaucrats and industrial workers. They may be equally disenchanted with the existing opposition, but they no longer believe in the government or look to Mexico City for the solution of their region's problems. In fact, many Mexican observers see increasing signs of a slow awakening in certain northern communities of a dormant streak in Mexican consciousness favoring closer links with the United States.

Losing the votes of these key sectors does not necessarily mean that the PRI will lose power on a national level through electoral defeat, but it does represent a serious weakening of the PRI's long-standing dominance. This trend calls into question the viability of a one-party monopoly of political power. There is a growing cleavage separating the modern, northern, urban, more affluent Mexico, where the PRI barely receives a plurality or a slight majority of the vote, and the backward,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

southern, rural and poorer Mexico, where it continues to rack up 80–90 percent of the vote. The PRI rules both Mexicos as if they were one; they are not. Such a situation eventually seems untenable without coercion. And somewhere along the line coercion implies the military; everyone knows how its involvement begins, but no one ever knows how it ends.

In those cases where more than "traditional" fraud is needed to secure a PRI victory, or where voters no longer accept even the usual amount of fraud, the government will increasingly run up against the choice it faced in Piedras Negras: either give in to the opposition, or call in the army. This is a no-win choice.

III

Since the 1930s, the Mexican armed forces have rarely meddled in politics; they have respected civilian rule and have seldom been called upon to repair the system's malfunctions. Although the army was called on to deal with minor electoral problems during the early 1960s, the last time it intervened because of a serious breakdown was in 1968, when negotiations between the government and the student movement collapsed two weeks before the inauguration of the Olympic Games. In the mid-1970s, the army suppressed a guerrilla uprising in the state of Guerrero, but this incursion into political matters was limited to an isolated region.

There is certainly no immediate risk of greater army involvement in political matters, but there could be in the future. Indeed, the military seems to be suffering less from the system's general discredit than other sectors. According to a poll taken in mid-1985, when Mexicans were asked to state which elements of society "lie" more to the public, 59 percent gave politicians as their first answer, 26 percent mentioned public officials first, but only two percent of those interviewed considered the military to be more untruthful than other elements. True, the September earthquakes may have damaged the army's image somewhat, but more because of what it did not do. Troops were called out to patrol the city and prevent looting, but they did not actively participate in relief and rescue operations.

More important, however, there are reasons for believing that, for the first time in years, a serious split has developed within the army and between the military and the government. According to certain sources, many middle-level, relatively

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

young (ages 35 to 45) and well-educated officers are particularly upset about the passive role the government and the higher military echelons obliged the armed forces to play in the immediate aftermath of the quakes. This split could be the most important political trend to emerge from September's tragedy.

The potential for unrest is much more widespread now than in the 1960s or 1970s. Major incidents were avoided during this year's elections in potentially explosive states such as Sonora and Nuevo León. Although unrest has not yet reached alarming levels, it easily could. The army's traditional neutrality could be eroded if the government orders it in with growing frequency to stifle protest and violence arising from true or perceived instances of electoral fraud. Sooner or later, the army would probably insist on intervening before the violence occurs, to preempt it. The army could even feel compelled to intervene before the voting itself if elections habitually result in violence. The cycle of fraud, violence and army intervention was avoided in 1985, but the pressures are there which could trigger this cycle in the gubernatorial elections in the state of Chihuahua in July 1986.

There is no realistic short-term solution to the political crisis. Opening up the political system and giving the northern middle classes an equivalent of democratic "self-rule," instead of the economic growth they previously enjoyed or the major reforms the country needs but cannot have overnight, is a desirable but not entirely viable alternative. Centrifugal forces in the north, traditional Mexican fears of U.S.-inspired division of the country, and the real and perceived risk of losing control over an unprecedented process of political liberalization make this option a nonstarter. It would take a daring, imaginative government to forestall long-term collapse at the risk of short-term political fallout; the Mexican political system does not seem up to the challenge today.

There are, however, some hopeful signs of change from the bottom up. The outpouring of solidarity, civic responsibility and participation by Mexican society that followed the September earthquakes could contribute to an initial democratization of Mexico's political institutions. For the moment, this hypothesis remains highly speculative, though it has been advanced by some of Mexico's most perceptive analysts, particularly by Carlos Monsivais, the outstanding chronicler of Mexico City's devastation. In the aftermath of the quake, some forms of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

grassroots organization and left-wing-sponsored mobilization have emerged among the most severely affected by the tremors, such as the homeless and relatives of the dead. These embryonic signs of political consciousness could eventually evolve into new, left-leaning political organizations that would be truly independent of the government.

While Mexicans and foreigners score debating points by criticizing the weaknesses of a political system apparently incapable of living with a strong opposition, this criticism is, in a sense, less important given the current economic situation. Concessions are easier when cushioned by prosperity; the country's rulers will not loosen their grip on power unless they can make the process relatively painless through economic growth. Yet, if such growth were possible, the need for political change would not be so acute.

The scattered and relative democratic advances which the Mexican political system has known over the past 50 years have come about under extreme pressure (the Great Depression, the 1968 student movement) or in the midst of spectacular economic growth (the 1978–1981 oil boom). Under the present and vastly different conditions, such pressure could be explosively dangerous because the political system is much weaker now, and such growth is nowhere in sight. There are consequently few signs of gradual political change; nor is a scenario foreseeable for a significant political transformation.

IV

Liberalization of the political system can only come about if the country's economic difficulties are first addressed in an adequate, lasting manner. Despite a slight and short-lived recovery in late 1984 and early 1985, the Mexican economy has remained stagnant since 1982, when it suffered zero growth for the first time in years. In 1983 the economy worsened: GNP declined by 5.3 percent, and per capita income dropped nearly eight percent. 1984 brought 3.5 percent growth, but at a high cost: a new recession in 1985, with the economy barely growing one percent over the entire year. Although the cost of reconstruction after the earthquakes has not yet been determined, simply rebuilding housing for the homeless, repairing Mexico City's severely damaged drinking-water system and replacing destroyed telecommunications and medical facilities will run into the billions of dollars.

The economic adjustment program implemented by Presi-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

dent De la Madrid—in accord with the International Monetary Fund—has allowed the country to pay the interest on its foreign debt, but at the cost of foregoing economic growth indefinitely. Unfortunately, the price of this trade-off may soon become too high, even for Mexico.

The country has made enormous efforts, and achieved some spectacular results, in its endeavor to put its financial house in order. Deficit spending as a percentage of GNP shrank from 18 percent in 1982 to six percent in 1984. The economy's traditional trade deficit was inverted: in 1983 Mexico enjoyed its first trade surplus in memory, totaling nearly $14 billion. This was repeated in 1984. Inflation, the government's and the IMF's chief concern, dropped from a runaway level of 100 percent in 1982 to a more manageable 80 percent in 1983 and 59 percent in 1984. Thanks to the system's long-standing control of the labor movement, this was achieved, remarkably, without major social unrest; there were few strikes and no urban riots or land seizures in the countryside.

But President De la Madrid has run out of time to cure the Mexican economy. Even without the earthquake, inflation in 1985 would have been roughly equivalent to that in 1984; because of the earthquake, it will probably be higher. Orthodox adjustment policies necessarily have their limits, and more daring measures have not been implemented. The severe austerity program has slashed most people's standard of living. Real wages have fallen nearly 50 percent in three years. Imports, mainly intermediate and capital goods, on which the economy depends for growth, are down from 1981 levels by nearly 65 percent. Although the government and the business sector have avoided massive layoffs, the 800,000 new jobs needed each year just to keep up with the growth in the labor force are not being created.

The economy's chief bottleneck remains the foreign debt. At $85 billion when President De la Madrid took office and $100 billion today, its service, despite some improvements in the terms of repayment, has become an intolerable burden for Mexico.

True, the international financial community has accepted multiyear reschedulings, enabling Mexico to reprogram principal payments of half its debt for 14 years. But these widely heralded agreements affect only capital; interest payments are left untouched. Latin American finance officials and bankers have known for some time that very few nations are likely to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pay back all that they owe. The region's debt problem actually concerns interest payments—which may or may not continue to be honored.

In this respect, Mexico has been helped by the recent drop in interest rates: every one-point decline in the prime rate saves the country approximately $800 million a year. But real interest rates are still at unprecedented levels, and the service of Mexico's debt totaled nearly $14 billion in 1984, with a similar sum being disbursed in 1985. This amounts to between 55 and 60 percent of Mexican exports; there is simply not enough cash left over for the imports needed to renew sustained economic growth.

Nor will Mexico obtain sufficient funds on the international credit markets, and what it can obtain will simply compound its debt service dilemma. Indeed, even the new U.S. world debt strategy outlined by Secretary of the Treasury James Baker in October, calling for greater lending by commercial banks and the World Bank, does not address the key issue: the service on Mexico's debt eats up too much of the country's hard currency earnings. New lending, were it possible, simply postpones the problem, but does not solve it. Nor does it solve another bottom-line issue: capital flight. With well over $50 billion being held by Mexicans in American financial instruments, it seems clear that any long-term solution to Mexico's woes must address this matter. No country can sustain a constant drain on its assets like the one Mexico has faced in recent years.

Recent drops in the price of oil, which accounts for 75 percent of Mexico's foreign revenues, are making a bad situation worse. A collapse in petroleum prices—a distinct possibility—would undoubtedly induce national bankruptcy. And the other possible way to compensate for the country's traditionally low domestic savings rate, investment from abroad, involves a series of wrenching decisions. Although President De la Madrid has identified the choices, he has not yet made them. A number of economic liberalization and modernization measures were announced in mid-1985, but they are only small steps in this direction.

Whether for businessmen or progressive economic planners, the Mexican economy has been turned into a nightmare by 40 years of protectionism, inefficiency, massive subsidization of both consumer staples and industrial inputs, and technological backwardness. It is hamstrung by excessive red tape involving everything from foreign investment to import permits, and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

from export taxes to land tenure. There is wide agreement in Mexico today on the problems, and on the economic necessity of addressing them. But there is a glaring lack of consensus on when, how, and in what order reforms should be implemented.

V

The most fundamental obstacles to reform are political. The government clearly does not have the broad-based political support to carry out the structural changes which, in the short term, would entail hardship and privation for many sectors of Mexican society. In addition, President De la Madrid's left flank is not sufficiently well covered for him to carry out changes widely viewed as conservative and pro-American without incurring serious political damage.

The government, most of the business sector, many foreign bankers and investors, and a number of independent Mexican analysts have concluded that the only way to modernize the economy is through major reforms, which go against the grain of the country's recent history and economic policy. Thus, significant cuts in subsidies to consumers (chiefly public transportation and basic food staples) and to industry (chiefly inputs such as energy, imported raw materials, land and water) have become unavoidable as the money to continue financing them is no longer available.

A major cutback in the state-owned sector of the economy also appears economically necessary. Over the years, it has become a disguised and highly expensive welfare and unemployment insurance system, cushioning the impact of economic realities through takeovers of firms in financial trouble, featherbedding in healthy or strategic public-sector companies, and bureaucratic inertia. If these practices were openly recognized as a welfare system, they might be sustainable. Since they are not generally recognized as such, there is no rationale to sustain them in the face of their present economic unfeasibility.

The same argument applies to Mexico's 40-year tradition of protectionism. A complicated system of advance import permits, red tape, and tariff and non-tariff barriers have kept Mexican industry well insulated from foreign competition. Without a doubt, this contributed greatly to import substitution and the development of Mexico's modern industrial plant. But it also created a national industry which generally produces poor-quality and high-priced goods, which is totally unprepared for export-oriented growth, and which has developed a yawn-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ing technological lag. The country cannot continue subsidizing, through inflation and lack of competition, an inefficient industrial sector that has proved incapable of generating export revenues, reducing domestic costs and supplying acceptable products for the internal market.

Similarly, the country's system of land tenure needs to be overhauled. Since the revolution, the *ejido*, or system of individual possession and use without ownership, sale or inheritance rights, has played a key role in maintaining social peace in the traditionally violent Mexican countryside. The economic cost, though, has been high; with the exception of cash crops in a few northern and central states, Mexican agriculture and investment in rural areas have remained stagnant for years. This, in turn, has led to a skyrocketing food import bill. From a strictly economic point of view, the obvious solution would be to eliminate the *ejido*, thereby creating a freer market for land, investment and labor in Mexican agriculture. But the political and social costs of uprooting much of the rural population would be astronomical; no government has dared even to tinker with the *ejido*. President De la Madrid's term is probably too advanced for him to have the time for such a major undertaking.

Finally, Mexico's foreign investment laws, which usually require 51 percent ownership by Mexican nationals, will have to be modified if the nation wants to replace foreign credit with foreign equity participation. Since the 1940s, Mexico has been a haven for many multinational firms because it offers a large domestic market, cheap skilled labor, a developed infrastructure and proximity to the United States. But potential investors have been put off by unfavorable changes in what are euphemistically called "the rules of the game" in the 1970s, the unexpected nationalization of private banks by then President José López Portillo in September 1982, and the general uncertainty over the health of the Mexican economy.

Problems with direct investment are complicated because Mexico is now trying to attract a different type of foreign investor: small and medium firms, with high potential for export or transfer of technology, instead of the large firms that have traditionally dominated the local investment scene. The incentives that drew large companies in the past are insufficient for their smaller counterparts in these troubled times. Mexico wishes to obtain well over $2 billion a year in net currency inflows through foreign investment, but this will apparently

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only come with major changes in the investment laws. In a July agreement to allow IBM to build a computer plant in Mexico, the government demonstrated flexibility in applying existing legislation by allowing IBM to retain full ownership. Such flexibility, however, will probably not be sufficient to stimulate the desired investment.

All of these reforms, then, have the same drawbacks: they are politically costly, economically destabilizing in the short run, require long lead times, and would tarnish the government's nationalistic, progressive image. The Mexican political system is accustomed to implementing exactly the opposite type of change: politically expedient, economically painless, profitable in the short term, and in accordance with the government's traditional rhetoric. The political cost of each reform is high; the price to pay for all of them could be prohibitive.

The wily Mexican bureaucracy will fight tooth and nail against reforms that would diminish its perks and privileges, as many of them would. Furthermore, the economic modernization entails a social modernization as well. The Mexican labor movement will have to change, and with it labor-management relations. For example, if the corrupt state-run unions are shaken up, the union bosses will no longer be able to guarantee labor peace in the oilfields. Likewise, drastic cuts in the purchasing power of wages, like those imposed since 1982, will probably not be as submissively accepted in the future. No wonder then that the De la Madrid administration has barely begun to move in this necessary but politically uncomfortable direction.

It appears that President De la Madrid will be able to face the political storms arising from these economic reforms only if he also advances on the other economic front: Mexico's foreign debt. If he is to take the measures that in effect will open Mexico up to the world, the government must also show that it can stand up to foreign bankers, the IMF and the United States. Without such a quid pro quo, Mexicans are unlikely to accept the risks of economic restructuring. And only by drastically reducing the interest payments on its debt will the government be able to finance the growth Mexico needs to make economic reform politically feasible.

Mexico's leaders must perform a delicate balancing act. They must bring debt service down from the current 55–60 percent of export earnings to roughly 25 percent for a fixed and substantial period of time. At the same time, they must not

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

acquire new liabilities (as implied by an interest cap, for example) or destroy the possibilities for fresh foreign credit. Moreover, this must be accomplished with the full support of the international financial powers and without a unilateral cessation of payments, which would force Mexico into autarky and provoke a confrontation with the United States. This dual necessity of both paying less and receiving more will be difficult, perhaps impossible, but certainly no more so than any of the challenges on the domestic front. A lasting solution to the debt problem is an indispensable, though not sufficient, condition for economic and political change in Mexico.

VI

Another obstacle to be overcome is the current state of Mexican-U.S. relations. Traditionally this has not been an item on Mexico's agenda of critical, unsolved problems. Relations have varied over time, depending on the governments and the issues in question. But aside from the endemic asymmetry between the two neighbors, relations have not been a major headache for either country. This has changed radically in recent times.

Today, the problems caused by the Reagan Administration's constant, highly publicized (in Mexico, in any case) and often abrasive insistence on the need for major changes in Mexico's domestic and foreign policies have become one of President De la Madrid's most pressing concerns. Likewise, Mexico's continuing economic crisis and growing political and social difficulties are increasingly at the center of U.S. international preoccupations. Both sides have a point; neither can abandon its stance without risking at least minor damage to its national interests, but one side is more dramatically affected than the other. Obviously, that side is Mexico.

Both sides can readily identify the problems, whether they involve illegal immigration into the United States, drug traffic in Mexico, safety for U.S. tourists, foreign investment laws, trade subsidies or even more abstract questions such as "democracy in Mexico." Many sectors of Mexican society have reached the same conclusions as many Americans regarding the changes needed. But, to a man, government officials, businessmen, intellectuals and journalists in Mexico believe that American pressure—regardless of its immediate effects—not only does not contribute to bringing those changes about but, insofar as it becomes a problem itself, represents an obsta-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cle to significant reform. Very little can be achieved in Mexico without U.S. support, but even less can be done if that support is too obtrusive.

One case in point is the counterproductivity of U.S. efforts to have Mexico abandon its support of Central American and Caribbean revolutionaries. On the one hand, they have brought results: Mexico no longer espouses the cause of revolution in the Caribbean basin, and its once close relations with Nicaragua's Sandinistas have soured. But to the extent that President De la Madrid is no longer viewed in Mexico as the progressive and nationalistic statesman that Mexican presidents are expected to be, he is encountering greater difficulties in making concessions to the United States in other areas, and in implementing domestic and economic policies perceived as conservative and/or pro-U.S.

U.S. pressures are often seen as insensitive or hypocritical. This is because the issues, timing and intensity of American pressure are usually impervious to Mexican political winds and customs. Thus, earlier this year, at a time when Mexico was facing other serious problems, the United States provoked a major confrontation over the murder of a U.S. Drug Enforcement Agency official operating in Mexico. The United States felt that the Mexican government's zeal in pursuing the case was insufficient. Mexico considered Enrique Camarena's death regrettable, but no more so than that of the more than 300 Mexican drug enforcement officials who have lost their lives in the war on drug trafficking.

Mexico is not accustomed to being a center of attention. It has great difficulty in coping with other countries' interest in its own affairs, regardless of the reasons for that interest. Undoubtedly, present U.S. concern, whether expressed at the government level or through the press, is something Mexico will have to adjust to, but this will take time. The extensive and perhaps exaggerated coverage, for example, of the July 7 congressional and gubernatorial elections was totally unprecedented. Never had Mexico's peculiar electoral ways been subjected to such close scrutiny. In the long term, this is certainly good for the country; for the moment, it rubs most of its decision- and opinion-makers the wrong way.

In the last analysis, the United States has an extremely delicate—and in some ways paradoxical—role to play in the unfolding Mexican drama. It must understand, on the one hand, the importance of Mexico to U.S. interests, but on the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

other hand, that it can do very little to influence positively the course of political events.

There is no longer any question that Mexico is in trouble: its political system is exceedingly tired, if not exhausted; its economic situation will deteriorate further before it gets any better; and relations with the United States will remain tense and complex. The United States would be the first to feel the change if things should get out of hand. Frequently mentioned scenarios of leftward drift, subversion or Central American contagion are all totally irrelevant to the present Mexican situation and strictly a figment of U.S. arch-conservative imagination. The danger is rather one of a breakdown in Mexico's traditional forms of social peace, political stability and economic progress; it could be gradual or precipitous, but there would be no simple antidote.

The United States has significant stakes that would be affected by instability in Mexico. Among the likely repercussions for the United States were such a breakdown to occur are massive inflows of illegal immigrants, fleeing not only depressed economic conditions but political chaos; the endangering of U.S. assets in Mexico, from investment and trade to consulates and other government agencies; and difficulties for the 275,000 U.S. citizens presently residing in Mexico.

Despite these stakes, any American involvement, no matter how disinterested or well intentioned, cannot fail to complicate matters further. If the United States hedges its bets by exploring possible alternatives to the present political system, or peaceful transitions to a new one, it will weaken current Mexican authorities. This will in turn make more likely a breakdown in the system. Granted, standing by passively if the Mexican situation continues to deteriorate also carries risks. In addition to the political cost of such passivity, the United States might well ask itself later in hindsight what would have happened had it acted differently. Nevertheless, there is no U.S. role that would carry more benefits than costs.

There is one exception: on the debt issue, the United States should be ready to help if and when help is requested; American economic aid and support will most certainly be needed in this matter. On issues Mexico regards as primarily domestic, however, the United States should maintain a discreet distance and a policy of strict noninterference in Mexico's political life—however high the stakes, however strong the temptation to advise, suggest or impose.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The bottom line is that Mexico will pull through its present crisis if, and only if, four equally important conditions are met more or less simultaneously. First, Mexico's economic modernization of trade, foreign investment, the state-owned sector, subsidies and land tenure must come about quickly and forcefully. Second, substantial and lasting relief on the debt front must be achieved soon, probably during 1986. Debt service must be limited to around 25 percent of export earnings, in a way that will not irreparably damage the country's future creditworthiness. Third, although Mexico is not a dictatorship, it is certainly not as democratic a nation as its inhabitants want it to be. A profound democratization of Mexico's political institutions and of its social structures is perhaps the demand that most Mexicans want fulfilled. Finally, Mexico must return—and the United States must not impede its return—to a highly nationalistic, progressive foreign policy in Central America and the Caribbean. Mexico has national interests in the area and they must be furthered. By pursuing such a regional policy, Mexico will be strengthened, and thus better able to tackle the other three crucial conditions.

The country that will emerge from its current travail will not be the same as the one most Americans, and all Mexicans, knew before. But it will probably be a better country for all concerned. Before this happens, though, there will be many close calls, instances where appearances and perceptions indicate breakdown and even anarchy. The United States, its government, its press and all those concerned by events south of the border, will need a great deal of calm and steady nerves. But Mexico has found itself at the brink of disaster before, and has always succeeded in stepping back. It can do so once again.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Harold H. Saunders

ARABS AND ISRAELIS: A POLITICAL STRATEGY

The problem in the Arab-Israeli peace process in late 1985 is not how to arrange a negotiation. The problem is how to make it politically possible—even imperative—for leaders in the conflict to commit themselves to negotiate.

Making peace is first a political process, and only second a negotiating process, as the experience of the 1970s taught us. The intense negotiations of that decade, from the shuttle diplomacy of Secretary of State Henry Kissinger through the Egyptian-Israeli peace treaty of 1979, followed political steps that had already demonstrated commitment to negotiation and lowered the human and psychological barriers to peace.

In 1977, we American diplomats were focusing on working papers and diplomatic formulas designed to arrange a resumption of the Geneva conference. President Anwar Sadat of Egypt saw that the real obstacle was not the failure to find the right formula but rather the doubts among both Arabs and Israelis that the other side was sufficiently committed to peace that it would change its position in negotiation. Accordingly, he went to Jerusalem to dramatize a message that Israel could not ignore: that Egypt accepted Israel and was committed to making peace.

More recently, by contrast, a political strategy has been lacking, a strategy that held reasonable promise of making an Israeli-Jordanian-Palestinian negotiation happen. To be sure, some preliminary steps were taken. Early in 1985, King Hussein of Jordan, Chairman Yasir Arafat of the Palestine Liberation Organization (PLO) and President Hosni Mubarak of Egypt laid foundations for an Arab coalition to negotiate peace with Israel. For his part, Prime Minister Shimon Peres of Israel confirmed his belief that the integrity of the Jewish state

---

Harold H. Saunders, Assistant Secretary of State for Near Eastern and South Asian Affairs from 1978 to 1981, is now Resident Fellow at the American Enterprise Institute for Public Policy Research in Washington. He is the author of *The Other Walls: The Politics of the Arab-Israeli Peace Process.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

depended on negotiating peace with Jordan and the Palestinians.

Yet over many valuable months, no one constructed the scenario that would join these two political tracks. No one successfully laid out a sequence of diplomatic and political steps, a scenario designed in substance and timing to meet the political needs of each party so leaders could commit themselves to negotiate.

Such a scenario serves two purposes. First, it outlines a sequence of actions to see how the political and substantive trade-offs would fit together to build an environment which could permit negotiation to begin. Second, it keeps the record clear on a pre-agreed series of interrelated actions and responses.

The odds against negotiations in the Middle East are always high. If leaders simply sit back and observe that the situation is not ripe for negotiation, nothing will happen, no matter how hard their diplomats may try. Prudent policymakers will ask themselves whether the moment is ripe for any movement at all toward a negotiated peace. Bold policymakers will also ask how—or at least whether—they can help the moment ripen. In the Middle East peace process, that active political commitment has been missing in critical quarters so far in the 1980s.

This includes third parties as well as those engaged in the conflict. Since none of the parties alone is able to construct a viable scenario, the task of a third party starts well before mediation in negotiation; it involves helping develop a scenario to reshape the political environment so leaders can build the political support they need to begin negotiation.

Instinctively we know what the key substantive issues are, but we often tie ourselves up in procedural questions. Instead of devising ways for Palestinians to achieve recognition of their identity so they could offer to negotiate peace with Israel and change the Israeli political environment, we Americans spent half of 1985 dithering over which Palestinian representatives Assistant Secretary of State Richard Murphy might meet.

The intelligent and responsible people involved recognize the political dimensions of the problem, but sometimes they simply do not articulate explicitly the real barriers in their path. Not identifying the real barriers, they do not design a scenario broad enough to remove them. It is worth sitting back and trying to do so.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

II

Any negotiating process encompasses two distinct periods—one that precedes actual negotiations and one that starts as negotiators move toward the table. We are more familiar with the second—the period of actual negotiation—and we tend to think of the peace process as a negotiating process. By the end of the 1970s, Americans had grown familiar with pictures of Egyptians and Israelis sitting across tables from each other, with diplomats and lawyers exchanging texts, soldiers poring over maps and writing redeployment timetables, and heads of governments signing agreements. Most Americans let the first period slip from mind, the long and complicated period when leaders were deciding whether or not to commit themselves to a negotiated settlement.

Since the Egyptian-Israeli peace treaty was signed in March 1979, we have moved back to the early stages of the peace process. Attention has shifted to Israel's eastern frontiers, and to parties not yet politically committed to negotiate peace with each other.

On none of these fronts have the political foundations for negotiation been laid. Recognizing that we are back in the early stages of the peace process, before the commitment to negotiate has been made, we must focus attention on the real issues to be tackled. Let me lay out a conceptual framework, which I shall then use to identify the political needs to be met in building the base for an Israeli-Jordanian-Palestinian negotiation.

III

In analyzing the peace process since leaving government in early 1981, I have found it useful to think of a negotiating process involving five stages:

First: defining the problem. Early in the negotiating process, each party will define its feelings, objectives and aspirations in relation to a particular situation, interpreting the situation both in isolation and in relation to the larger world view and objectives of its policymakers. How one defines a problem starts to determine what one will do about it.

Israel, the Palestinians, the Arab states and the United States are all deeply divided internally over how to define the problem in the Arab-Israeli conflict. Disagreements lead members of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

factions holding different views to kill each other. Palestinians are assassinated for envisioning a negotiated settlement with Israel. Israelis speak in violent terms about Israelis who hold different visions of the future of the Jewish state.

Since negotiation is shared decision-making on a shared problem, we must understand, first, how nearly unified or divided each party is in defining its objectives and, then, how the parties differ from each other in their definitions of a problem. We cannot expect unanimity before negotiations begin, but by comparing definitions to see where they diverge, we take an essential analytical step in identifying the barriers. Each side's definition must somehow acknowledge the hopes and pain of the other. Only when each side sees the other's concerns as part of the problem will the two definitions together suggest that a jointly attempted solution is worth considering.

Second: developing a commitment to negotiation. This is the period in which Israeli, Jordanian, Palestinian and American leaders found themselves in 1985, one of deciding whether to commit themselves to negotiation. If policymakers are uncomfortable with their present course, they look for alternatives and identify political barriers in their way. If they cannot achieve what they want by unilateral action, they ask whether negotiation is worth exploring. Although negotiation itself is the centerpiece of the negotiating process, the commitment to negotiate is the moment of political truth. Without the commitment, negotiation cannot start. Most of the years of the Arab-Israeli-Palestinian conflict have been spent in this pre-commitment phase.

Crystallizing the commitment to negotiate is often the most complex part of the peace process because it involves a series of interrelated judgments. Before leaders will negotiate, they have to judge:

—whether a negotiated settlement would be better or no better than continuing the present situation;

—whether a fair settlement could be fashioned that would be politically manageable;

—whether leaders on the other side could survive politically such a settlement; and

—whether the balance of forces would permit agreement on such a settlement.

Before a new direction can be taken in this early period of the peace process, the political environment must sometimes

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

be rearranged. Judgments of the highest political and human order are required. Decisions must be made on peace and war. How much damage or pain can a party suffer? Where will a course of action lead over the long term? Also required are the courage and foresight to say, "This can't go on any longer." Astute political judgments must be made about when a constituency is ready to move to a new position, and skill is needed to create the catalyst. Understanding of the other side's human and political needs is necessary to help leaders reach the decision to negotiate.

This early period is a time for political moves; it is not yet a time when the parties are ready to turn matters over to negotiators. The diplomats' job at this stage is to help presidents, kings, prime ministers and chairmen see their choices clearly and identify diplomatically useful steps that will also meet political needs and help change the political environment. The barriers to peace will fall only when political leaders commit themselves and persuade their constituencies to join them.

Third: arranging a negotiation. Once leaders have decided to negotiate, the next stage is to discuss how to arrange a negotiation. Four issues must be considered:

—What will be the overall character and strategy of the negotiation? Will the aim be a series of bilateral discussions and agreements or a comprehensive negotiation bringing all the parties to the Arab-Israeli-Palestinian conflict together? Will the objective be further interim steps or a final settlement now?

—What will be the mechanics of the negotiation? The Arabs and Soviets are pressing for a large international conference. Israel and the United States have long opposed such a conference as unwieldy and as giving veto power to the least common denominator Arab position.

—How will the parties be represented, particularly the Palestinians? The issue is highly political because it confronts the questions of who will be able to deliver Palestinian political support for any negotiated settlement and whether the Israelis will sit with those Palestinians.

—What will be the substantive starting point—the terms of reference? The issue is not just words but determining whether the parties can come to the negotiating table with objectives and pictures of the problem and the shape of a settlement that have enough in common to permit a shared solution through negotiation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Fourth: negotiation—trying to reach agreement. In a way, negotiation has actually begun in these early stages. In the larger political process, however, there is a moment when leaders visibly shift gears and parties begin actually trying to reach agreement. They begin building political support, not just for negotiating, but for the shape of the agreement they hope to reach. They position themselves to deal with possible failure. Analysts may find other ways of defining the start of negotiation. In my experience, the negotiating process takes on a different character when the participants decide to try to reduce what they have talked about to a written agreement. They know that even the prospect of such an agreement would change the political environment.

If we take this perspective, a crucial purpose of the preparatory thinking and discussion is to accumulate the evidence that the risk of negotiation is justified—that negotiation can succeed, that the outcome could improve the situation, and that failure would be manageable. Discussing the elements of a settlement is different from trying to write them down in a potentially binding document submitted to public judgment. It is true that one party may enter negotiation for some political purpose without intending to work toward agreement, but a leader who takes such initiative runs the risk that the act of negotiating will create a momentum of its own and generate pressure for agreement.

Fifth: implementation. The last part of the peace process is the period when agreements are implemented. Implementation is an important stage, not only for the obvious reason that the purpose of negotiation is to produce an agreement that the parties have a stake in implementing, but also because careful implementation of one agreement may be the starting point for the next negotiation. Even a signed and ratified peace treaty only begins a new stage in a relationship.

In the 1970s, the American strategy came to be called "step-by-step diplomacy." Secretary Kissinger showed Arabs and Israelis how they could break the problem down into negotiable pieces, developing agreements that would build confidence and would change the political environment, counting on implementation to provide the new starting point for next steps. Step-by-step agreements, we argued, make possible negotiation tomorrow of points that could not have been negotiated yesterday. Changes in perception and attitude often occur in small, incremental, scarcely noticeable steps.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Two major conclusions emerge from an examination of these five stages of the peace process. First, as we move back to the early stages of the process that precedes leaders' political commitment to negotiation, the job to be done is different from that when representatives are ready to gather in the negotiating room. Second, to bring the parties to active negotiation, we must identify the substantive and psychological issues with which political leaders grapple as human beings in reaching their own personal decisions to negotiate. These are often the main obstacles blocking their path to negotiation.

Using this analysis of the negotiating process in the period before leaders commit themselves to negotiate, I want now to focus on the Israeli and Palestinian camps to identify questions that must be answered and political needs that must be met before negotiation can begin. From such an analytical base, we may suggest political additions to be made in the diplomatic scenario.

IV

Definitions of the problem. Israelis and Palestinians are deeply divided between those who are trying to come to terms with the other's existence and those who have not been able to do so. The former try to understand how a relationship might work; the latter have not learned to see the other side as human beings with whom there is any reason to relate. A mediator must try to bring each side to see the other's basic political needs as part of its own problem.

Israelis agree that their overriding problem is to secure the future of Israel and the Jewish people. The political dimension of Israel's insecurity is the refusal of most Arab states to accept and recognize the Jewish state. Non-recognition plus the continuing threat of terrorist attack turns loose emotions of fear, illegitimacy, vulnerability, helplessness and mistrust rooted in centuries of diaspora, discrimination and persecution. Despite military or other physical security, fear of betrayal, abandonment and annihilation is seared into the Jewish soul and experience. Beyond the deep common concern for security, Israelis divide into two camps in defining the future.

For one—represented by Prime Ministers Menachem Begin and Yitzhak Shamir from 1977 to 1984 and the Likud members of the present government—the problem is how to perpetuate Israeli control over all the land west of the Jordan River. This camp draws support from Israelis who want to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

retain this land for their own combination of religious, historical, economic or security reasons. This group takes one of two positions toward the Palestinians. The first view is that they are not a separate people with the right of self-determination; they are "Arabs" who can live anywhere in the Arab world as an ethnic minority or simply "terrorists" entitled to no consideration at all. The alternative view is that they can turn Jordan into the Palestinian state.

The mainstream in the other camp—represented by Prime Minister Peres—believes that preserving the integrity of the Jewish state requires returning part of the West Bank and Gaza and their 1.3 million inhabitants to Jordan, and allowing Jordan and the Palestinians to define their relationship as long as they do not attempt to form an independent Palestinian state. These Israelis wrestle with the problem of how to relinquish rule while preserving security and access to historic lands. They struggle with how to persuade their countrymen of the benefits—even the necessity—of exchanging land for peace. These Israelis have begun to see the Palestinians as a people. They are concerned about the corrosion of their own values when, maintaining a military occupation, they deny the rights and often the humanity of those under occupation.

As long as Palestinians can be regarded as "terrorists" or "Arabs" or like "cockroaches in a bottle," to use the words of one former Israeli chief of staff, some Israelis will find it relatively easy to ignore, repress, expel or even kill them. Those Israelis who have learned to know Palestinians as human beings have begun to question their own ability to maintain human values while ignoring the values of the Palestinians. They are deeply concerned that most Israelis do not know what goes on in the areas under military occupation.

Palestinians are also divided. Some see Israel as part of the current picture and define the problem in terms of gaining recognition of their right to self-determination in the part of Palestine from which Israel withdraws. The map of the Middle East in their mind's eye does include Israel. Other Palestinians reject peace with Israel. They start from the time that Israel was not on the map. They continue to define the problem as how to reclaim all of Palestine and how to secure the rights of Palestinians to return to homes they left in 1948. What has happened in the Israeli part of Palestine since 1948 has no place in their vision. Some of them, in their outrage, see Israelis

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only as colonizers and oppressors and support terrorist operations against any Israeli man, woman or child.

It is obvious why Palestinians now resident in the West Bank and Gaza might well settle for a homeland in those territories where their homes are. It is much more complex to explain why Palestinians who cannot return to pre-1948 homes would accept the new realities. Many of these longtime refugees seem to have transferred their dreams beyond the recovery of particular homes or farms to the recovery of their Palestinian identity. Political expression of that identity seems to have become the psychological vehicle through which many Palestinians may be able to let go of the past. In the exile community, a Palestinian passport and a Palestinian homeland to which they can look for an expression of their identity are the critical substitutes for recovery of all the land. Although this assertion cannot be proved quantitatively, the Palestinians holding this view in the mid-1980s appear to represent the mainstream.

Israelis and Palestinians will not agree on who has a right to the land, but they may be able to recognize each other's feelings of belonging there. It may be enough for each people to include in its picture of the problem an awareness of what the other side has suffered, why it feels unjustly treated, and why it needs recognition of permanence in a land of its own. The Palestinians feel aggrieved that history has asked them to cede part of their land as the site of a home for Jewish people persecuted by others. Israelis see the land as their ancient home, their first safe haven after centuries of persecution. They seek acknowledgment of their suffering in the pogroms and the Holocaust; Palestinians seek some understanding that they mourn the loss of homes and land. When each side incorporates the other's mourning and need for identity and security into its own picture of the problem, there may be a starting point for developing a common life in the land west of the Jordan River. If each side could help reduce the other's fear by committing itself to peaceful means, there might be a starting point for negotiation.

V

The effect of passing time. Those leading both Israel and the Palestinian movement at the end of 1985 have a sense of urgency but, particularly in Israel, constraint is imposed by others who would like to see more time pass without negotiation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Again, Israel divides along party lines. The governments under Begin and Shamir and the Likud Party today have avoided talk of negotiations in which any agreement would require Israel to leave a substantial part of the West Bank and Gaza. These governments have openly used time to tighten Israel's control over the territories. The Labor Party leadership, on the other hand, and possibly even a majority of the population, recognize that the more entrenched Israel becomes, the more difficult it will be to withdraw. These Israelis believe it would be dangerous to the Jewish state to absorb a 40 percent Arab minority. For these Israelis, negotiation seems necessary, but even they have difficulty dramatizing the urgency of an early agreement.

The most compelling argument for urgent negotiation would be a realistic Arab offer to negotiate peace. Or a rising public sense of the ugliness of occupation, which might be dramatized in a variety of ways—increased press attention, demonstrations by concerned Israelis, Palestinian civil disobedience, or, most dangerous of all, bloody riots in the West Bank.

Prime Minister Peres and his Labor Party colleagues face a deadline of a different kind. To conclude their coalition agreement with the Likud, Peres agreed that Shamir, as leader of the Likud, would take over as prime minister in September 1986. If Peres is to remain prime minister, he will have to produce results by then that will strengthen his political position so that he can either reform the governing coalition or call new elections with a chance of increasing his party's representation in the Knesset.

The Palestinians have believed in the past that time was on their side, that Arab strength would increase over years and that Israel would eventually have to bow to superior Arab numbers in armed struggles and would withdraw at least from territories occupied in 1967. By the mid-1980s, Palestinians, especially those in the occupied territories, had begun to recognize that Israel was so steadily and so firmly entrenching itself in the territories that it would be increasingly difficult for Israel to pull back even if new Israeli leaders wanted to do so.

Despite that recognition, some Palestinian leaders have seemed to prefer to drift along with the steady extension of Israeli control rather than engage in a process to arrest that extension. Why? Answers apparently lie not so much in belief that the alternatives to negotiation are potentially more productive as in the conviction that negotiation is the ultimate

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

capitulation. At best, the Palestinians are being asked to legitimize and perpetuate Israeli possession of the land that they feel is legitimately theirs. They are being asked to engage in an act of generosity that is virtually without historical example, or to accept their own defeat. In each case, they are also still denied the recognition of their identity that would come from recognition of the PLO or of their right of self-determination. Even Sadat had to erase the humiliation of the 1967 Arab defeat by crossing the Suez Canal in 1973 before he could negotiate—and he was negotiating to get *all* Egypt's land back. The challenge in bringing the Palestinians to the table is how to enable them to accept the loss of part of Palestine.

Palestinian leaders, whose roots lie mainly in the exile community, have naturally worried that a settlement will focus on the Palestinians who remain on the land in the West Bank and Gaza and will ignore the interests of those Palestinians who have been refugees. This fear that the interests of the exile community would be left out of a settlement was one strong reason for the Palestinians' rejection of Camp David. PLO leaders claim that they alone represent the two million Palestinians living outside the territories occupied by Israel in 1967, who have no alternative Palestinian leadership at all.

VI

The shape of a settlement. On each side, while factions may divide over the general form a settlement should take, very few in any camp have thought through either how their vision of a settlement would work out on the ground or how it would look to the other side.

In Israel, those who want to control all the land west of the Jordan River have not resolved among themselves how they would deal with the 1.3 million Arabs there. Begin proposed "administrative autonomy" for the Palestinians. General Ariel Sharon has insisted on establishing the Palestinian state in Jordan. Extremist Meir Kahane's solution is to expel the Arabs. These views cannot provide the basis for negotiation, because no Arab will negotiate an agreement to give up the West Bank, Gaza and East Jerusalem to permanent Israeli control.

Palestinians cannot understand why any Israelis, much less their experienced leaders, would expect Palestinians to be satisfied with such arrangements as autonomy. They remember Begin, who grew up with the autonomy of the Polish ghettos, spending much of his life fighting for an independent Jewish

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

state. They cannot understand why Zionists do not understand Palestinians' desire to shape their own state. Whatever the individual views within the Likud, none of them seems to envisage a settlement that takes into account any Palestinians' views of themselves as an equal partner. And those Israelis willing to grant such a psychological equality cannot believe that the Palestinians will permanently accept a state confined to the West Bank and Gaza.

Key leaders of the Labor Party, in contrast to their Likud colleagues, share a commitment to the central equation in United Nations Security Council Resolution 242—the exchange of land for peace. Even in the Labor Party camp, however, differences in experience and viewpoint seem to have produced two different, though not conflicting, points of emphasis. Those whose experience includes the private exchanges with King Hussein and the disengagement agreements before 1976 focus on negotiating a "territorial compromise" with Jordan. Those whose experience also includes Camp David cite the need to pay attention to the transitional process by which control would pass from Israeli military authority to Arab authority.

Most important, those involved in Camp David point out that it may be politically impossible for the leaders of both Jordan and Israel to address territorial compromise immediately. This is because opponents of King Hussein will reject any but 1967 borders and opponents of Prime Minister Peres will reject any boundaries but the Jordan River. They further note that by concentrating on the functional aspects of transferring authority it may be possible to discuss lifting military rule while leaving discussion of final sovereignty until the right political moment. Such a strategy would permit a Labor Party prime minister to claim he was moving entirely within the framework of the Camp David accords, which a Likud government had negotiated and the Knesset had ratified.

For those Palestinians prepared to make peace with Israel, the debate about the shape of a settlement is over practical issues. How could they exercise their right of self-determination in present circumstances? Exactly how would political expression of their identity be worked out in a constructive relationship with Jordan? How would the role of the PLO be defined? Palestinians in the West Bank and Gaza would also ask: exactly what agreements will govern the necessary continuing relationship with Israel?

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

For the first time, some Palestinians are thinking in pragmatic terms about how to move from military occupation to political freedom and what forms freedom would take. During the Jordanian-Palestinian talks that produced the Hussein-Arafat agreement of February 1985, discussion of how Palestinian self-determination might be arranged reached a new level of practicality. The option of confederation between a Palestinian West Bank and Jordan had been in the air for more than a decade. The details have not been fully discussed, but that agreement recorded the intention to seek a solution within such a context—Palestinian self-determination exercised within a Jordanian-Palestinian confederation. This step reflects Palestinian focus on the shape of a settlement that could become the subject of negotiation.

The psychological importance to the exile community of identification with a Palestinian homeland and of determining how they will relate to the homeland in practical ways—passports, voting, investment, property ownership—will become an important part of the process. Those people shaping a negotiating process will need to take into account a Palestinian political process in which a major issue within the Palestinian community itself is the nature of the settlement.

Those Israelis who favor sharing the land west of the Jordan River with the Palestinians and working out a cooperative relationship with Jordan now have a framework for such an option, a framework created by the key Arab actors in the Hussein-Arafat agreement. They also have an opportunity to enhance the credibility of that arrangement among Palestinian constituencies by demonstrating that the Palestinian movement can achieve recognition of Palestinian identity within that framework. Formal Israeli and U.S. statements reflecting understanding of the suffering, losses and interests of the entire Palestinian people would cost little and buy much.

VII

Can the other side accept? Each leader is skeptical that the other can deliver political support for a settlement even if one could be negotiated. The salient question, therefore, is what leaders on one side can do to help leaders on the other side build that political support.

Even those Israelis willing to exchange land for peace know from earlier exchanges with Hussein that he has felt unable to accept any settlement other than Israeli withdrawal to the 1967

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

borders unless he has a Palestinian partner at his side as the concessions are framed. Hussein's need to build a political base that includes the PLO certainly complicates potential negotiations between Israel and Jordan. Continuing terrorist actions, the Palestinian National Charter of 1968, and contradictory statements from PLO leaders contribute to an Israeli picture of the PLO, which in turn colors the Israeli assessment of the constraints on Hussein's ability to negotiate.

An equally fundamental issue may be whether Israelis could honestly accept any Palestinian recognition of Israel. In addition to their basic fear of PLO intentions, Israelis may consciously or unconsciously feel that acknowledging a PLO claim in Palestine would be an admission that their own claim is less than absolute. Deep in some Israeli consciences may also be a personal fear of coming face to face with the people whom the establishment of the Israeli state has made homeless and stateless. Although Israel has acknowledged some Palestinian rights, Israelis do not hear—or do not allow themselves to hear—the Palestinian voices fully enough to assess whatever they may be saying. A critical question for an Israeli leader who wants to negotiate a settlement with Jordanians and Palestinians is how to enable Israelis to hear and assess open-mindedly what Hussein and the Palestinians are saying.

The real obstacle to a settlement may no longer be the difficulties of arranging the technicalities of Palestinian recognition of Israel. The real breakthrough might come from mutual recognition of each other's suffering and desire for permanence.

The Palestinians must come to terms not only with Israel but also with other Arabs, particularly with Jordan. Although many observers in the Arab world may find it disturbing to be asked to discuss the issue, the fact is that any effort to resume the Arab-Israeli peace process must build in part on an Arab-Palestinian political process to define their relationship. Although the Arab states formally support creating an independent Palestinian state, it is not at all clear how much any of them welcome the idea. It was 1974 before they finally acknowledged formally that the Palestinians should speak for themselves in a negotiation with Israel.

The Hussein-Arafat agreement was an important milestone in a long series of efforts to define a workable relationship between the Hashemite Kingdom of Jordan and the Palestinian people. In the Palestinian community, discussion focuses on

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the degree of independent action considered to be an adequate political expression of separate Palestinian identity. The Hussein-Arafat agreement, therefore, was more of an Arab coalition agreement than a basis, in the first instance, for negotiation with Israel.

VIII

The balance of forces. By any objective standards, the military balance of the 1980s overwhelmingly favors Israel. How military superiority translates itself into a negotiating stance depends on the balance of political forces, both within domestic constituencies and from the outside.

The Israelis have worked tirelessly to build an unchallengeable military force. By now they must feel that they have succeeded. The issues in Israel in 1985 were not whether Israel maintained military superiority, but what effect defense expenditures were having on the economy and whether Israeli leaders had shown wisdom in using their military power, in Lebanon, for example.

According to the Israelis' own psychological self-portrait, their sense of security should place Israel in a solid position to negotiate. Either the self-portrait is incomplete or other interests complicate the picture. Some Israelis seem to believe that Israel can operate without limits or without a concern for consequences. In Lebanon, many Israelis found it abhorrent that their leaders were sacrificing lives on both sides to achieve debatable political objectives beyond Israeli self-defense, and were creating an environment in which violence without limits seemed to have become a tolerable instrument of policy. Internal political pressures constrained the use of military power.

The relationship between Israel's superior military power and the readiness to negotiate has acquired a further internal dimension. Will Israeli forces also be used to subjugate an alien population permanently within Israeli boundaries? The prolonged existence of military government in areas under Israeli control worries those concerned about the damage that the use of superior force can do to the very soul of the Jewish state.

The Palestinians, after their military defeat and expulsion from Lebanon in 1982 and the split in the PLO that Syria forced in late 1983, seemed to recognize that they did not by themselves carry enough weight on the negotiating scales to assure themselves of a fair outcome. They needed a coalition base from which to approach negotiation. Because of Jordan's geo-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

graphical position and historical relationship to the West Bank and to Israel, a Jordanian-Palestinian relationship was the natural cornerstone of such a coalition. Egypt's relationship with Israel and the United States, and its experience with the peace process, have led the PLO to accept Egypt's involvement. Beyond the Arab coalition, the Palestinians have persistently sought to draw the United States into support of the realization of Palestinian rights. Some of Arafat's colleagues may argue for keeping the door open to a Syrian-centered coalition, but others see no alternative to Jordan.

In approaching a potential negotiation, the PLO possesses a *nonviolent weapon for changing the balance of political forces* inside Israel. The PLO could declare a suspension of violence by organizations under its control during negotiation. In taking that step, the PLO would be supporting the efforts of people in Israel who argue for a negotiation that includes the Palestinians. Such a declaration could appear, at the appropriate moment, to be the equivalent of Sadat's call for "no more war." A few Palestinians have shown interest in using nonviolent techniques in the West Bank and Gaza to build political pressure inside Israel for withdrawal of the military government, but by late 1985 the idea still did not have a significant following.

For the PLO has a tradition of violent reactions as well. The Palestinians know they cannot physically break the Israeli military government, but some of them are beginning to ask whether creating a bloodbath in connection with military repression could generate political pressures inside Israel for withdrawal.

IX

Now let us combine these elements into a framework that introduces political considerations into an illustrative scenario for what could lie ahead.

Through the middle of 1985, a four-step scenario proposed by Jordan provided a starting point for discussion: first, a U.S. meeting with a Jordanian-Palestinian group to pave the way for explicit PLO agreement to negotiations based on Security Council Resolutions 242 and 338; then a Jordanian-PLO-U.S. conference; followed by an international conference with the five permanent members of the Security Council to give international legitimacy to negotiations; and finally, direct Israeli-Jordanian-Palestinian negotiations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Recently, parts of this scenario were being adjusted or replaced, but it remains instructive because it was designed to meet a combination of political and diplomatic requirements. Despite recognition of political requirements, most of the discussion has focused on the diplomatic steps in the scenario. Each of those, of course, could have political impact, but none by itself is sufficient to break down the barriers which kept the first step from being taken.

One approach has been to try to compress the scenario to make the trade-offs publicly visible as quickly as possible. But little discussion took place about introducing other political steps into the scenario—partly because officials judged that these were all the traffic that senior political levels could bear. The fact that it has proved impossible to take even the first step illustrates how important it is to spotlight the real barriers to progress and cause leaders to think hard about how they might be addressed.

The U.S. meeting with a group of Jordanians and "non-PLO Palestinians" was King Hussein's way of beginning an explicit Palestinian-U.S. dialogue which would start to break down the barriers to PLO participation. Hussein has stated firmly that he cannot negotiate with Israel on the West Bank and Gaza by himself; he needs authoritative representatives of the Palestinian movement to endorse any concessions to be made. The political trade-off in such a meeting would involve U.S. assurance of support for a settlement that includes Israel's withdrawal from the West Bank and Gaza and political expression of Palestinian identity in those territories in return for a Palestinian statement of readiness to negotiate peace with Israel on the basis of Resolutions 242 and 338. The PLO, in the February 1985 Hussein-Arafat agreement, accepted the principle of trading "land for peace"—Israeli withdrawal in return for Palestinian and Jordanian recognition and peace with security—but the PLO has not stated that position as a direct offer to Israel to negotiate. It wants assurance first that at least the United States supports that exchange.

The issue in arranging this first step was the degree of PLO representation in the group. Meeting the PLO is one way of recognizing Palestinian identity—precisely the step many Israelis do not want to take. The list of Palestinians proposed to attend included some individuals who are members of official bodies of the PLO. The United States felt meeting with those individuals would cause a strong political reaction in Israel and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the United States that would bar Prime Minister Peres from entering any proposed negotiations.

The question that this impasse poses is whether a different first step could be devised. Is there some other way to meet the Palestinian need for assurance that the United States recognizes the right of the Palestinian people to choose their own representatives and will stand behind the principles of Resolution 242 if the PLO accepts the resolution?

The problem is how to bring about negotiations between Israel and authoritative Palestinian representatives when both sides are still divided over whether they really want to negotiate a settlement with each other. A meeting could provide the vehicle for a first step toward negotiation between these two parties—but only if a political environment has been created in which they have decided to negotiate. The real issue is how to precipitate that decision.

The Arab parties want to negotiate under international auspices broader than U.S. mediation; they regard the United States as uncritically supporting Israeli positions and they want to break out of the past pattern of negotiations in which Egypt isolated itself by negotiating alone with Israel. Israel and the United States have regarded a big international conference as unwieldy and unworkable and have resisted involving the Soviet Union when it has no relationship with Israel and would be seen as uncritically backing Arab demands. Is there a manageable way of meeting the needs of both sides?

Here are some new elements that might be woven into a scenario. They would add larger political steps aimed at changing the political environment to the concrete diplomatic steps that may become the vehicles for expressing those political shifts.

First: A private Hussein-Peres channel of communication would enable each side to send word that it plans to take one or two public steps designed to meet the other side's political problems. Hussein might pass word that he is prepared to speak directly to the Israeli people, to offer to negotiate peace and explain the need of both peoples to resolve the Palestinian problem; he could ask Peres' advice on timing and substance. Peres might share thoughts on slowing the settlement of Israelis in the West Bank or relaxation of military government controls in some areas. He might, if he felt confident in the security of the channel, share his views on the need to confront the Palestinian problem directly. The purpose of exchanges like

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

this would be to increase confidence and to share precise information on political needs to the extent that can be done safely.

Second: The United States must understand Peres' political timetable and needs. How do peace issues play into coalition politics in Israel? What steps in the peace process would be manageable within the coalition? For instance, would it be useful if negotiations were to address interim steps first, staying within the conceptual framework of the Camp David accords which Begin negotiated and the Knesset ratified? What steps might the United States take toward the Palestinians that would be more manageable politically in Israel than an immediate public meeting with members of the PLO? For instance, would a U.S. statement supporting Palestinian self-determination in the context of the Hussein-Arafat agreement on a Jordanian-Palestinian confederation be manageable in Israel? Could the United States manage a secret meeting with the PLO if it led to a PLO moratorium on violence and commitment to negotiate peace and normal relations with Israel? What variations on an international meeting within a Security Council context could Peres manage if assured that it would lead quickly to direct negotiations? Under what circumstances could he absorb inclusion of PLO representatives in a Jordanian negotiating team? How could he intensify the concern in Israel about the consequences for the Jewish state of perpetuating military occupation? How could the plight of the Palestinian people—apart from their terrorist fringes—be presented in Israel so as to help Israelis relate to them as human beings?

Third: The American dialogue with Hussein in the latter part of 1985 actively and imaginatively explored variations on the specific sequence of steps he proposed, but the better dialogue would be to seek political steps outside that scenario that might be more effective in changing the political environment. For instance, could a secret U.S. approach to the PLO bypass an initial public meeting? Such an approach could be taken to discuss a PLO moratorium on violence and commitment to peace with Israel in return for a symbolic public gesture recognizing Palestinian identity and right to self-determination while acknowledging a PLO role in negotiations. The United States has taken the public position over the years that it can deal directly with the PLO where the security of Americans is at stake. Would a statement on Palestinian self-determination in the context of the Jordanian-Palestinian confederation en-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

visioned in the Hussein-Arafat agreement be of political value? Direct discussion by an official or by an authorized emissary would offer an opportunity to show understanding and interest in the PLO leaders' political problems in stating unequivocally their acceptance of Resolutions 242 and 338 and readiness to negotiate peace with Israel.

Fourth: Further public statements by the leaders of Israel and Jordan could contribute to a change in the political environment on both sides of the borders. Their speeches at the United Nations in September and October were first steps. A speech or interview by Peres reflecting concern that perpetual military government is inconsistent with Israeli values could signal Israeli readiness to discuss a change in arrangements in the West Bank and Gaza. At the same time, Peres could recall that a Likud government at Camp David agreed to withdraw military government and to establish a Palestinian self-governing authority. King Hussein has the option of making a well-publicized speech to the Israeli people on Jordanian television, which many Israelis watch regularly. The purpose of the speech would be to repeat unequivocally Jordan's readiness to negotiate peace with Israel; to acknowledge the suffering of Jews and Arabs alike; to discuss frankly the need to recognize the special problem and the rights of the Palestinian people "who live among Israelis and Jordanians."

Fifth: Immediately following Hussein's speech, an unequivocal PLO statement of its position, including acceptance of Resolutions 242 and 338 and rejection of violence, could be directed at Israel. Its impact would be enhanced if it explicitly stated that the Palestinian movement will pursue future relations with Israel only through peaceful means if peace can be negotiated. The authority of such a statement would be enhanced if backed by simple published resolutions of the PLO executive committee or the Palestine National Council. It would be further enhanced if key figures around Arafat known to have disagreed with him in the past over negotiating with Israel made individual statements supporting the resolutions. The *Achille Lauro* hijacking and the breakdown in London of British efforts to produce PLO signatures on a document accepting Israel have raised high obstacles for the PLO to overcome.

Sixth: To meet the Arabs' need to put negotiations in an international context, the United States might discuss further with Hussein, with the Soviet government, and with the sec-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

retary general of the United Nations ways of providing such a context for negotiations among the parties to the Arab-Israeli conflict. The purpose of these discussions would not necessarily be to arrange an international conference but to discuss the barriers to negotiation that the Arabs look to a conference to remove. The question would be whether a series of steps could be arranged that would create an international political process to undergird a negotiation without the unwieldy aspects of a major conference. For instance, if the United States were establishing a substantive dialogue with the PLO, if the Soviet government were talking with Israel and the United States, and the Euro-Arab dialogue were supplemented by a Euro-Israeli dialogue, would it be possible for a small group of interested representatives to meet at the U.N. informally as a sort of steering group keeping track of the negotiations? An international sounding board would be established without the paralyzing aspects of a formal conference.

Seventh: The United States could propose to Syria a series of high-level meetings to discuss further cooperation in the peace process. If the Syrians were interested and if discussions were warranted, a meeting between the presidents should not be ruled out. It is not at all clear that Syria would be interested in discussing participation in any process that can be envisioned, but a systematic effort to find out might at a minimum make it easier for the PLO and Jordan and at a maximum produce a necessary Israeli-Syrian negotiating forum. Any dialogue of this kind would have to be coordinated with Jordan's own discussions with Syria.

Eighth: At some point, when enough of these steps have been taken to increase political support for responding, a forcing mechanism will be needed to precipitate negotiation. That forcing move may very well have been defined and agreed to in diplomatic dialogue. It would need to include: a specific offer by one party or invitation by a third party to meet at a specific time and place; as much understanding as possible about the format for the negotiation; and a shared vision of the shape of the outcome. This dialogue will have paralleled the political scenario, and some steps may have been interrelated.

Those directly involved will define the specific steps to be taken. My point is that those directly involved need to include President Reagan, Prime Minister Peres, King Hussein, President Mubarak, President Assad and Chairman Arafat—as well

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as their diplomats. The next moves are in their hands. Until these political leaders commit themselves to negotiation and work in the political arena to build political support for negotiation, the diplomats and negotiators will not have a chance.

When President Reagan turns his attention to the Middle East peace process after the Geneva summit, he will encounter two schools of thought among his advisers. One will argue that the United States should continue to wait for the Arabs and Israelis to get their political houses in order and come to Washington ready to negotiate. Then the United States should help. Others will argue that American diplomacy should step out creatively to see how to help the parties get their houses in order by contributing active assistance and resuming a role as "full partner." I favor this latter approach. The President's decision will determine whether the United States will let slip away what may someday be recognized as the most important moment of opportunity in this decade.

This point is not confined to the Middle East. It could apply just as well to the future conduct of Soviet-U.S. relations in the wake of the summit. A president in the 1980s needs to give the same meticulous attention to the daily political management of foreign relationships as he gives to managing a major legislative initiative on its way through Congress. The peace process requires the same careful day-by-day management because it is, above all, a political process.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Larry Diamond

NIGERIA UPDATE

Through the improbable device of a military coup, Nigeria has been delivered from dictatorship. To be sure, the form of government remains a military regime, and almost certainly will for many years to come. In fact, much of the top leadership remains the same: the August 27 coup d'état was engineered by high-ranking officers in the fallen government of Major-General Muhammed Buhari and his powerful second in command, Major-General Tunde Idiagbon. Many officers who held key command and government positions under General Buhari continue in power. But the nature and style of rule have been transformed in ways that may have lasting implications for Nigeria's political future.

The man behind the coup, and the subsequent changes, is Major-General Ibrahim Babangida, who was army chief of staff and the third-ranking member of the Buhari regime. He has been described as a popular officer, having "the soldier's love of action and the politician's populist instinct."[1] Like four of Nigeria's seven previous leaders, Babangida is a northern Muslim, born in Niger state 44 years ago. But his support within the military is broadly based. He is said to be widely admired in the army for his professionalism and courage (dramatically evidenced when he risked his life to foil a coup attempt in 1976), and for his openness and rapport with the rank and file. Babangida played an instrumental role in Nigeria's last three successful coups, but he was content to concentrate on army functions and play only a background role in government. As someone who might have seized the principal position of power twice before, but deferred, he does not appear to be a man of insatiable political appetite. This contrasts sharply with Generals Buhari and Idiagbon, whose eager monopolization of

[1] *Newswatch* (Lagos), Sept. 9, 1985, p. 17.

Larry Diamond is a Senior Research Fellow at the Hoover Institution. He is the author of a forthcoming book, *Class, Ethnicity and Democracy in Nigeria: The Failure of the First Nigerian Republic.* Currently he is co-editing a multi-authored comparative study of democracy in developing nations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

power alarmed their fellow officers and contributed to their downfall after ruling for just 20 months.

Like four of its six predecessors, the Buhari government dashed the high hopes that had attended its accession to power at the end of 1983. The December 31, 1983, coup removed the civilian regime of Shehu Shagari, which had itself betrayed popular aspirations—and the constitution—in Nigeria's second attempt at liberal democratic government. Four and a quarter years of chaotic competition among political parties had left a shattering legacy of corruption, economic mismanagement and treacherous electoral violence and fraud. Thus, Nigerians welcomed the military government, expecting it to bring to justice corrupt former officials; reinvigorate an economy that was on the edge of collapse; and effect structural and cultural changes that would eventually make possible a successful transition to democratic government.[2]

Initially, the high expectations seemed justified, as the Buhari government arrested hundreds of politicians, fired hundreds of public officials, and seized huge sums of cash from politicians' homes. Its pledges to restore accountability to public life elicited enthusiastic support from the press, students, trade unions, intellectuals and various other segments of the rich panoply of associational life in Nigeria. But before long, the Buhari government began to overstep its popular mandate as it turned with arrogance and impunity on virtually every one of the groups and institutions that had welcomed its arrival.

II

Buhari's fall from grace was due primarily to his anti-democratic behavior; regionalism, factionalism and economic woes also contributed to his demise. Although the announcement of investigations and trials for political corruption was highly popular, many Nigerians became concerned about the uniform severity of the penalties (a minimum of 21 years in prison). They also objected to procedures that placed the onus of proving innocence on the accused, prohibited appeal of the verdict, closed the proceedings to the public and entrusted the trials to military tribunals. The Nigerian Bar Association boycotted the trials in protest over these provisions, even though this left many of the accused without legal representation.

[2] For a full analysis, see Larry Diamond, "Nigeria in Search of Democracy," *Foreign Affairs*, Spring 1984.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Nigerians were gratified when many of the country's most notoriously corrupt politicians—including governors from a majority of the 19 states—were found guilty and sentenced to prison. Acquittals of some individuals who had not been widely suspected of venality in office suggested that the tribunals were capable of fair and independent verdicts. Consternation grew, however, over the dearth of convictions of the most powerful kingpins of the former ruling National Party, especially those from the party's northern power base. Some of these figures remained in detention, and some remained abroad, beyond the reach of Nigerian justice, notably former Minister of Transport Umaru Dikko, who was the target of a bungled kidnapping attempt, allegedly by agents of the Buhari regime. Nigerians were also outraged at the continued detention without trial of some politicians who were viewed as honest and dedicated public servants. In a particularly notorious case, former Ondo state Governor Michael Ajasin remained in prison even though he was twice cleared of any wrongdoing by military tribunals.

The Buhari regime's draconian internal security laws violated civil and political liberties more severely than anything Nigeria had previously experienced, even under colonial rule. Decree Number 2, imposed in January 1984, provided for the detention of any citizen deemed a security risk. Under this classic instrument of authoritarian domination, the Nigerian Security Organization was given a virtual blank check to arrest and intimidate critics. Some of Nigeria's most astute social commentators were imprisoned under this measure—without trial, appeal or any indication of when they might be released. With unsettling speed, the NSO became a virtual power unto itself, introducing heretofore unfamiliar cruelties of dictatorship. After the August coup, journalists were escorted through an NSO detention center where 63 people, many of them beaten and tortured, had been imprisoned in squalid conditions.

Under the Buhari-Idiagbon regime, repression had become a reflex. In a typical incident last March, the NSO broke up a press conference of the Academic Staff Union of Universities, detaining four of its officers. Many of Nigeria's clamorous interest groups were banned, including the National Association of Nigerian Students, whose September 1984 national conference was violently dispersed. After long-running tension between doctors and the government erupted in a strike in February 1985, the Buhari government banned the Nigerian Medical Association and another doctors' association and ar-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rested their leaders. Many critics who were not arrested were watched and warned by the NSO. Normally vigorous centers of articulate opinion fell silent in a spreading climate of fear.

Journalists were among the chief targets of the regime. Although it has been marred by periods of harassment, press freedom has historically been one of the strongest bulwarks against tyranny in Nigeria. Over the past several years the print media have improved in accuracy and sophistication, and the number of serious publications has mushroomed. Particularly significant has been the growth of private newspapers like the *National Concord* and the *Guardian* (both of Lagos), which took the lead in exposing corruption and abuse of power. Private book publishers have become indispensable in facilitating social criticism and alternative formulas for socioeconomic and constitutional development. The flowering of Nigeria's capitalist and critical traditions in these private publishing ventures was among the most vital forms of democratic progress to survive the Second Republic (1979–1983).

That the Buhari government was not serious in its promise of accountable government was apparent early when it attempted to shackle the communications media. Decree Number 4 of April 1984 forbade the publication or broadcast of anything that brought the government or any of its officials into ridicule or disrepute. Like Decree Number 2, it placed the onus of proof on the accused and stipulated heavy penalties for offenders. Under these two measures, a number of prominent journalists and editors were arrested. Two *Guardian* newspapermen spent nearly a year in prison, becoming heroes in the struggle for a free press, and were adopted as prisoners of conscience by Amnesty International. Although journalists continued to test the regime's narrowing limits, the arrests and decrees had a visibly chilling effect on news coverage and editorial commentary.

In trying to impose a monolithic order on Nigeria's irrepressibly pluralistic society, the Buhari-Idiagbon dictatorship did more than violate Nigeria's deep commitment to personal freedom; it risked a convulsion of enormous proportions. The danger was intensified by the perception that the Buhari government was inordinately dominated by northerners, particularly the Hausa-Fulani from the Muslim areas of the upper north, who had also been the dominant ethnic group in the Shagari government. This distressed many opinion leaders from among the Yoruba, the Igbo and the many smaller ethnic

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

groups, and prompted a number of prominent Yorubas, such as retired Lieutenant-General Alani Akinrinade (former defense chief of staff), to propose some form of "confederal" government. Their proposals must be seen in retrospect not as assaults on Nigerian federalism and national unity but rather as warning signals that the regime itself was threatening these principles by its growing intolerance and its narrow regional power base.

The coup last August 27 can also be interpreted as a pragmatic attempt by the military command to preempt an explosion, possibly a bloody coup attempt by radical junior officers. High-level rivalry was also a factor. Without question, the coup was precipitated in part by resentment within the Supreme Military Council of the arrogation of power by Generals Buhari and Idiagbon. When they were deposed, the coup-makers denounced them for their "stubborn and ill-advised unilateral actions" and their paranoiac intolerance of debate and criticism even within the military councils.[3]

Furthermore, the continuing economic crisis contributed heavily to the public's profound disaffection. The Buhari government's progress toward balancing Nigeria's external payments came at the price of deepening austerity and recession. As industries remained desperately short of raw materials and spare parts, tens of thousands more workers lost their jobs and severe shortages pushed inflation to an annual rate of 40 percent. After three years of steep decline in gross domestic product, no relief was in sight. Forecasting only one percent growth in GDP, the 1985 budget cut imports by more than half and devoted 44 percent of foreign exchange to debt service. The pervasive hardships would have threatened any government.

Finally, the Buhari-Idiagbon regime's vows to rid the country of corruption rang increasingly hollow. A postmortem on the regime noted the Nigerian public's "widespread skepticism . . . about the army's claims to have reduced corruption. Not only were senior ministers alleged to be making fortunes in the time-honored fashion—from kickbacks on contracts and import license allocations—but suspicion was also aroused by big

[3] See the broadcast statement of Brigadier Joshua Dogonyaro announcing the coup, in *West Africa*, Sept. 2, 1985, p. 1828.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

oil barter deals in which middlemen in or close to government were alleged to have made fortunes."[4]

Notwithstanding these factors, the primary reason for the coup and the primary issue in its wake was the dictatorial character of the Buhari-Idiagbon regime. Most of all, the August coup appears to mark the decisive rejection of authoritarianism in Nigeria. This was forcefully signaled in President Babangida's maiden address to the nation, an extraordinary statement for a military ruler. In it, Babangida recognized that even a military government "needs the consent of the people" to govern effectively. Promising to uphold human rights, he announced an immediate review of the status of political detainees. Most significant, he announced the repeal of Decree Number 4 and vowed, "We do not intend to lead a country where individuals are under the fear of expressing themselves."

III

Words are easily offered to an angry nation; the test will be in the way President Babangida governs. But having figured so centrally in the last four coups, he is acutely aware that Nigerian leaders ultimately cannot escape accountability for their actions. His initial actions indicate that—whether through real commitment to liberal government or simply shrewd political instinct—Nigeria's new president means to govern liberally.

Among his government's first actions was the release of all journalists in detention. Dozens of politicians who had been in prison up to 20 months without charge or trial were also released, many to heroes' welcomes. In addition, public exposure of the NSO's violations of human rights was encouraged, the top leadership of the NSO was dismissed, and a thorough probe and restructuring were undertaken. Amnesty International praised Babangida for these steps.

Another augury of a more consensual and accountable style of rule is the new government's structure and composition, which is both more open to criticism and internal debate and more representative of the country's many ethnic and interest groups. To disperse power at the top of government, the functions of the domineering former chief of staff, Idiagbon, were split between two positions. Political administration was

[4] Michael Holman, Tony Hawkins and Patti Weldmeir, "When Austerity Was Just Not Enough." *Financial Times*, Aug. 28, 1985.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

assigned to the chief of general staff, Naval Commodore Oko Ebitu Ukiwe—the first Igbo military officer to hold such high government office since the 1967–70 civil war. Military administration was assigned to a newly created Joint Chiefs of Staff, chaired by the powerful Defense Minister Domkat Y. Bali.

All but five members of the former Supreme Military Council were appointed to the new and enlarged Armed Forces Ruling Council. The five who were dropped were those primarily responsible for the previous regime's abuses: Buhari, Idiagbon, the internal affairs minister, the NSO director and the attorney-general. The ethnic balance of the council's membership was also altered, with the center of gravity shifting from the far north to the ethnic minority states of the middle north. And at the state level, Babangida replaced 13 of the 19 military governors, a shrewd move that gave younger officers—including several populists and an avowed socialist—a share in the running of the country.

The cabinet appointments are even more striking, both for those who were retained (only six of the previous 18 ministers) and those who were newly selected. Signaling that open dissent will not be unwelcome, the new president retained Petroleum Minister Tam David-West, an independent academician who had condemned the policy of negotiating massive countertrade or barter deals exchanging Nigerian oil for foreign goods. It was rumored at the time of the coup that David-West would be fired for his candor. Instead, he is joined in the cabinet by other forceful and capable figures who were not afraid to speak out in opposition to the Buhari regime. These include Akinrinade (Agriculture), Professor Bolaji Akinyemi (Foreign Affairs), who condemned the Buhari government's expulsion of illegal immigrants, and Dr. Kalu Idika Kalu (Finance), who argued, in opposition to the former regime, that Nigeria should take an IMF loan. Babangida named the president of the previously banned Nigerian Bar Association, Bola Ajibola, attorney-general.

Given the explicit pledges, personal inclinations, appointments and early actions of President Babangida, his government seems unlikely to sink into the kind of narrow dictatorship that preceded it. Nevertheless, symbols and good intentions lack the force of law and the stability of institutions. Verbal commitments can wither in the heat of crisis and opposition, which are sure to greet the difficult economic decisions that will have to be made in future months. If there is a lesson in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the misrule of the Buhari regime, it is so basic as to seem banal: unlimited power corrupts its holders and perverts its original ends.

The Buhari-Idiagbon regime had promised to bring its predecessors to account, but put itself beyond public scrutiny or criticism. The current government likewise has pledged retribution for offenders. For example, in proclaiming the recent coup, the Babangida regime denounced the "glaring fraud" in the Buhari government, and then appointed a committee to investigate corruption in the negotiation of oil countertrade agreements. But, again, this is to establish accountability for past actions of other officials; it remains to be seen how those now in power will conduct themselves. How can accountability be advanced from the past to the present, so that it is not merely retroactive but also preventive?

IV

In my analysis of the December 1983 coup, I suggested that stable and accountable government in Nigeria might be achieved through a "diarchy" of shared civilian and military rule, in which civilian democratic rule was further checked and balanced by military control of certain crucial regulatory functions.[5] This reflected the active search then under way in Nigeria for a constitutional formula to overcome the abuses of power that spoiled the country's two attempts at democratic government. Before the Buhari regime banned all discussion of the country's political future, this public debate accelerated, and numerous variations of diarchy were advanced and debated. Now that the Buhari regime, like the military government in the post-civil war era, has soured public confidence in the military as rulers, there may be an even more compelling case for diarchy as a way out of what one observer called "Nigeria's ruinous political cycles."[6]

Diarchy is typically conceived as civilian government making some permanent institutional place for the military in the constitutional system. It could, however, be implemented in reverse; the military could create and gradually enlarge institutional roles for civilians. Indeed, if the Babangida government is serious about allowing *itself* to be held accountable, and

[5] Diamond, *op. cit.*

[6] See Richard Joseph, "The Overthrow of Nigeria's Second Republic," *Current History*, March 1984, p. 138.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

about building a consensus for a long-term attack on Nigeria's economic problems, power-sharing may be indispensable to its success. To some extent, it has already shared power by appointing prominent civilians to the federal and state cabinets. But there is nothing institutional about this participation. Similarly, it has recognized that the free press is a cornerstone of accountable government. But with the constitution in suspension, this freedom exists only at the pleasure of those in power.

There is no reason why a military government cannot draw up a constitution or bill of rights to which it can be held accountable in the courts. Such a document would be a first step back to democracy in that it would recognize the supremacy of the judiciary in interpreting and protecting fundamental liberties. There is also no reason why a military government cannot subject itself to a code of conduct for public officers, to be enforced by an independent bureau and tribunal. While the military remains dominant in government, the appointment and supervision of this framework could be entrusted to the Supreme Court, or the bar association, or a council of traditional rulers, or some other independent, civilian body commanding general respect. No government can ever be fully trusted to watch itself; nor can it root out corruption if it does not set up independent structures for doing so.

These structural innovations would provide established means for ensuring accountability and thus enhancing public confidence in military government. Moreover, such changes would not threaten the military's basic control of the government. Yet it is difficult to imagine any government, including this government—for all its apparent democratic intentions—limiting its power in the absence of explicit, sustained pressure from opinion-makers and organized interest groups.

The military government could also be strengthened, as an editorial in the journal *West Africa* suggested, "by announcing early a program for a return to a more representative form of government no matter how far in the future."[7] President Babangida has signaled his intention to present a program of political transition, with initial emphasis on revitalizing local government. This might allow experimentation with new forms of electoral representation, reintroducing political competition and participation first at the grassroots. Phasing in democracy

[7] *West Africa*, Sept. 30, 1985, p. 1999.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in this way could defuse grievances and pressures and give the government a stronger basis of legitimacy.

With the economy in dire straits, there will be no shortage of grievances and pressures in the months to come. Nigeria's external debt remains in excess of $20 billion, and payment on short-term trade debts is lagging months behind. Oil production remains low and petroleum prices are likely to tumble further, as Babangida himself recently warned the nation. Hence, the prospect is for even less than the 1984 oil income of $10 billion, which is less than half the peak figure of four years ago.

Most economists believe that the only way out of the crisis is for Nigeria to reach agreement with the International Monetary Fund for a three-year $2.5 billion loan; negotiations on this have been deadlocked for three years because Nigeria has refused to accept the IMF's stringent adjustment program. Upon taking office, President Babangida seemed determined to come to an agreement quickly but then threw the question open to public debate, and the consequent intense opposition has clearly reduced his freedom of maneuver. Reaching agreement on an IMF loan would unlock perhaps another $2.5 billion in loans and credits from other sources; it would also enable Nigeria to resume imports necessary to regenerate industrial production and employment. But critics denounce the hardships that would follow the required currency devaluation and subsidy cuts. They also dismiss the utility of another huge infusion of cash, which, they maintain, the country is no better equipped to manage than the massive infusions of the oil boom.

As President Babangida recognized in his recent independence-day address, "with or without the IMF loan facility," all Nigerians "must make hard choices involving great difficulties and requiring sacrifices from everyone in every sector, including the Armed Forces." With or without the loan, the prospect is for a prolonged period of economic austerity, in which consumption has to be limited severely and productivity sharply increased. Knowing this, the Babangida government may well determine that the urgent need for government to be responsive to the popular will, in particular the opposition to the loan, outweighs the urgent need for new foreign exchange and restructuring of debt.

The Reagan Administration's new policy emphasis on economic growth as the best relief for debt crises in the Third World may eventually benefit Nigeria. Further, since the Ba-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

bangida government has struck a surprisingly cordial stance toward the United States and promised to remove bureaucratic and other obstacles to foreign investment, the time might be propitious for the United States to take the lead in helping Nigeria to restructure its international obligations.

Ultimately, however, the success of the new government is likely to depend on whether it can build a national consensus around a coherent economic strategy, distribute the sacrifices fairly, and put a stop to the disastrous leakage of the country's resources through corruption and mismanagement. This will be difficult to do without some institutional means for ensuring open and accountable government. In this sense, 20 months of repression may have taught the valuable lesson that the choice between democracy and economic recovery is a false one.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Jerzy Milewski
Krzysztof Pomian
Jan Zielonka

POLAND: FOUR YEARS AFTER

Between August 1980 and December 1981, the Polish crisis had an important international dimension. Since the imposition of martial law on December 13, 1981, however, the political situation in Poland has drastically changed. One might argue that it is now merely the internal concern of that country or, at most, of the Soviet empire. If this be so, Poland must no longer be a matter of particular concern for American foreign policy.

This position is not shared by all commentators. Some of them continue to believe that General Wojciech Jaruzelski's policy should be judged on moral or ideological grounds. The situation in Poland should be weighed against the Final Act of the Helsinki Conference on Security and Cooperation in Europe (1975), which states that respect for human rights and fundamental freedoms is an "essential factor for peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among all states."

Others reject such a "sentimental" approach and assert Poland's international significance on more pragmatic grounds. In particular, they emphasize the economic and geopolitical consequences of the Polish crisis. Poland owes the West billions of dollars, in itself a serious international problem. Moreover, successive crises in Central and Eastern Europe unavoidably produce East-West tension and threaten the political and military stability of the continent as a whole.

In order to argue the need for a special American foreign policy toward Poland, however, it is not enough to agree that

---

Jerzy Milewski is a physicist and the director of Solidarity's coordinating office abroad in Brussels. Krzysztof Pomian is a historian and a professor at the National Center for Scientific Research in Paris. Jan Zielonka is associate professor of International Relations at the University of Leiden in the Netherlands. Professors Pomian and Zielonka are advisers to Solidarity's coordinating office abroad.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Polish crisis has some international relevance. One has also to agree that, despite the anti-American rhetoric and policy of General Jaruzelski and his government, the majority of Poles hope for an American influence on Poland's destiny. But even this does not define the degree and the form required of such an influence. A definition can only emerge from a careful analysis of recent developments in Poland as well as from a reexamination of American (or generally, Western) strategic interests and options with respect to Central and Eastern Europe.

II

Western discussion about Poland reflects to some extent the confusion prevailing in Poland itself. The repressions under martial law shocked public opinion all over the world, and yet the underlying intentions of the new Polish military rulers seem to be still a matter of debate. Is General Jaruzelski a puppet or a patriot? Did he crush Solidarity on Moscow's order or to save Poland from a worse fate? Is he a convinced communist, a military bureaucrat or a nationalist sacrificing himself for his motherland? Does he represent a hard-line position within the ruling establishment in Poland or a conciliatory one? Will his policy lead to controlled economic reforms as in Hungary since 1964, or to an escalation of police repression as in Czechoslovakia after 1968?

More relevant for the United States is whether the West should help Jaruzelski, with the aim of encouraging a system similar to that introduced in Hungary by its Communist leader, János Kádár. Proponents of such a policy argue that while Solidarity is unacceptable to the Soviets, the Kádár model does at least give East European countries the chance to attain a degree of independence which the Soviets find acceptable. For some observers it follows that the West must seek the "Kádárization" rather than the "neutralization" of Eastern Europe.[1] But the differences between the political and economic situation of Hungary after 1956 and Poland after 1981 make it difficult, or even impossible, for Jaruzelski to copy the policy of Kádár, no matter how attractive this may seem.

The Soviet invasion of Hungary destroyed all achievements of a brief revolution (less than three months), and all its leaders

[1] Charles Gati, "Polish Futures, Western Options," *Foreign Affairs*, Winter 1982/83, pp. 292–308.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

were assassinated or imprisoned; all resistance was crushed. In Poland, where the social movement enjoyed 16 months of legal existence, the domestic repression has shown itself unable to put an end to underground Solidarity and other independent activities. Moreover, in 1956 Kádár, who himself had been a victim of the Stalinist terror, could credibly pretend to renew a Hungarian communist system then only 12 years old; this was also true at that time of Władysław Gomułka's regime in Poland. But in 1981, after first Gomułka's and then Edward Gierek's failure, the Polish communist system itself, almost 40 years old, was generally considered by Poles to be so corrupt and inefficient that the very idea of its "renewal" appeared an absurdity. Finally, and most importantly, the Hungarian economy, though physically damaged by the Soviet intervention, was neither indebted nor disorganized, and the healthy state of the Soviet bloc countries' economies at that time made effective emergency aid from them possible. Polish economic misery, by contrast, is due to long-lasting systemic deficiencies and mismanagement. Poland now finds itself heavily indebted to and dependent upon the West, while the other COMECON countries, themselves in a difficult situation, cannot provide a level of assistance comparable to that which Hungary received in 1956.

What is at issue in the Western discussion of Poland is the freedom of maneuver available to ruling elites of the European countries of the Soviet bloc. Historically, Soviet policy toward Eastern Europe has been remarkably flexible. Neither freedom of religion nor private agriculture nor the right to develop cultural and economic relations with the West were generously granted by Moscow, but the Poles succeeded in obtaining these concessions from the Soviet Union through a hard and painful process of bargaining. This bargaining consisted of a broad public pressure on the Polish Communist rulers, but also of certain efforts on the part of these rulers to negotiate compromises with Moscow. Such efforts were also successfully undertaken by Hungarians after 1964.

The exact limits of Soviet tolerance and flexibility of course cannot be known in advance. They are, at any given moment, the result of a complex interplay of Soviet domestic and external factors. The process of bargaining is the only means to determine what can be obtained under given circumstances and at what price. The Soviet authorities prefer to negotiate and bargain with contesting Eastern Europeans rather than

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

immediately to crush with tanks any sort of dissent. In other words, the use by Moscow of military force in Eastern Europe is a last resort.

The rulers of the countries of the Soviet bloc have some freedom of maneuver, never sharply delimited, variable but nevertheless real. We can ask, therefore, whether General Jaruzelski has any intention whatsoever of making use of this freedom to negotiate concessions from the Soviet Union.

The Polish authorities give three answers to such a question. The first, public, reply rejects the issue as irrelevant, even insulting: Poland, being allegedly a sovereign country, is tied to the Soviet Union by mutual friendship and common interests, and is grateful for Soviet help. The second answer is whispered by "well-informed" sources into the ears of Western diplomats and journalists: these sources stress the constant pressure exerted by Moscow and by domestic hard-liners who are ready to take power with Soviet blessing. They claim that it is impossible to resist this pressure more vigorously without provoking a direct intervention of the Soviet army, that is to say, a major national disaster. Different variants of this theory of Jaruzelski as the lesser of two evils are spread by unofficial channels inside Poland itself.

The third answer to the question of Jaruzelski's political intentions is provided not by words, which in any event have been contradictory, but by his deeds during almost four years as head of state, by laws promulgated during this period, by governmental decisions concerning social life, economics, culture and education, and by the everyday practice of his power. This is what we intend to analyze.

III

In December 1981 and during the first months of 1982, General Jaruzelski's domestic objectives were stated very clearly. He sought to eliminate Solidarity from the political and economic stage and simultaneously to neutralize all other manifestations of opposition. He intended to achieve an improvement in the economy. And he expected gradually to win popular support. Hence, the imposition of severe restrictions against Solidarity activists was combined with an attempt to keep alive a "dialogue" with the church and to draft the terms for a so-called national agreement. As is well known, these terms excluded any form of participatory democracy, introduced semi-compulsory membership in pro-governmental in-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stitutions (directly, or indirectly through a system of penalties and rewards) and institutionalized the arbitrariness of the state apparatus.

All this notwithstanding, the role of the party and of its ideology seemed reduced to a remarkable extent. The authorities pledged to use criteria of "national interest" as well as of economic and organizational efficiency rather than any strictly ideological ones. Constitutional amendments were adopted in order to ensure private ownership of peasants' lands (71.4 percent of all arable land in 1983). And a promise was made that reforms would introduce certain market elements into the Polish economy.

Did General Jaruzelski and his men sincerely believe in what they were saying immediately after the imposition of martial law? Nobody knows and, from our point of view, it does not matter. For it is clear that their rhetoric was the only approach that could neutralize the church, obtain some popular support and not alienate Western creditors.

The orthodox Leninist line could hardly have been accepted at that time even by the Polish Communist Party which, since August 1980, had lost more than one third of its members and whose remaining members were passive and unreliable. Moreover, the party as an institution had lost whatever legitimacy it once had (always significantly lower than that of the church). Its claim to be the party of the working class was disavowed by the Polish workers themselves when they created their own union, Solidarity. Its claim to manage the Polish economy so as to increase the country's strength and the welfare of its citizens was turned into an empty slogan by the disastrous results of its economic policy. And the party apparatus was shown to be a den of thieves: 12,000 members of the *nomenklatura* (elite), of whom 3,400 were ranking officials of the party and the state, were convicted in 1981 of squandering or stealing the public money during the ten previous years. The only role to which the Communist Party, or rather its leadership, could still pretend was that of the necessary interlocutor between the Soviets and the Polish nation.

Aware of what happened in Hungary in 1956 and in Czechoslovakia in 1968, Poles tried to avoid a direct challenge to the legitimacy of the party. But, if they feared that the party's collapse would provoke an intervention of the Soviet army, they nevertheless did not invest it with their confidence. According to a public opinion poll carried out in late 1980 by

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sociologists from the Polish Academy of Sciences, the national institutions enjoying the greatest confidence were: the Catholic church (94 percent), Solidarity (90 percent), the army (89 percent), the Sejm or parliament (81 percent), and the Council of State (73 percent). Only 32 percent of the respondents declared confidence in the party.[2]

The repressions under martial law could not restore the party's political efficiency and make out of it an instrument for the supervision of the people. General Jaruzelski tried to transfer this role to the army, which presented itself as acting in the name of a statism apparently indifferent to Marxist-Leninist ideology. But the army lost its prestige very soon, as it became obvious that it was unable to improve the management of enterprises and the local administration, and was still less capable of reforming the economy as a whole and the state apparatus. Moreover, the self-styled statism revealed more and more of its purely repressive nature, until even those who initially believed in it saw that it represented only a new endeavor to legitimize the power of the party and state bureaucracy.

This attempt at legitimization can be illustrated by more than a hundred legislative acts adopted by the Sejm over the past four years. Many of them represent a model version of a "legislation of terror" that introduces into the "normal" legal system almost all the regulations of the martial law which was formally lifted in the summer of 1983. They include, for instance: an amendment to the constitution that gives to the Committee of the Defense of the Country the right to establish a state of emergency if the committee alone finds it appropriate; new provisions in the penal code that impose strict sanctions on all people who engage in any oppositional activities, even people who participate in meetings in private homes; a law of the Ministry of the Interior that authorizes the use of the armed forces and of live ammunition under the same conditions as those specified under the martial law decree; a so-called anti-parasite law; and a work-referral law that institutionalizes forced and compulsory labor as a means of worker discipline, political constraint and economic development. The same is true of a juvenile delinquency law that allows the punishment of young people who exercise the right to free assembly; a

[2] Anna Jasińska and Ryszarda Siemieńska, "The Socialist Personality: A Case Study of Poland," *International Journal of Sociology* (London), No. 1, 1983, p. 64.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

censorship law modified in order to reinforce strict governmental control of publications and performances; and a law on trade unions that eliminates the workers' right to free association and collective bargaining, and transforms the only officially recognized trade union into a driving belt of the Communist Party.

In sum, the law in Poland has become openly repressive. It is widely used to justify the use of compulsory force by the state against its citizens. This legislation of terror, supported by a corresponding jurisprudence, is aimed at creating a new source of legitimacy for General Jaruzelski. People can now be persecuted not because they act directly against the party or communism, but because they violate the existing law. *Dura lex sed lex.* In fact, however, these laws are entirely subservient to the supreme goal of maintaining and even strengthening the power of the Communist Party apparatus, which, after some years of eclipse, is coming again to the forefront.

Among the symptoms of the "return to normalcy" (as defined by Soviet criteria), most significant is the disappearance of "men in uniform" who gradually are going back to their barracks. There are surely exceptions to this rule, the most visible being General Jaruzelski himself. Although he recently relinquished the position of prime minister, Jaruzelski retains leadership of the party. But when he travels to Moscow as first secretary, he dresses in civilian clothes. And it is Jaruzelski himself who, on several occasions, speaking to Polish Communist Party activists, has stated that the situation, while difficult, no longer requires the direct interference of the military in the conduct of the country's affairs. Another symptom: the evolution of the official rhetoric, which refers with growing frequency to Marxism-Leninism, socialism, "the leading role of the party" and the "struggle against imperialist subversion," and in the best Stalinist style identifies all opponents with agents of Western secret services.

IV

Jaruzelski's economic policy is another example of the reluctance to break with the Soviet model. Immediately after December 1981, the imposition of martial law was justified by the urgent need to pull Poland out of its economic crisis. Former Deputy Prime Minister Mieczysław F. Rakowski, considered in the West as a spokesman for an open-minded if not liberal tendency in the Polish leadership, later denied the very reality

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of that crisis.[3] Yet the drastic fall in the gross national product, which began in 1978 and was followed by an equally drastic fall in the standard of living, is only being halted, with little sign of recovery.

In 1983, the GNP in Poland was at the level of 1975, despite its first slight increase since 1978; the GNP per capita was near the level of 1973.[4] The standard of living of the population was close to that of 1973, with the exception of peasants for whom it was closer to that of 1977–78. In 1984, these indicators were not significantly improved. The Polish foreign debt amounted at the end of 1984 to $26.8 billion and, according to some estimations, it will soon reach a level of $30 billion.[5]

Poland's economic crisis is due both to long-standing deficiencies of the system and to mismanagement. The main fault lies in the inefficient, over-centralized "command" economy, which disconnects supply from demand and subordinates every enterprise to the central planning organ, which in turn is subordinated to the political leadership. The crisis cannot be overcome without substantial reforms that would introduce some market elements into the public sector: this would give to enterprises an autonomy with respect to commands from above and with respect to politics and ideology as well. Reforms also have to provide incentives to the development of the private sector in agriculture, services and small-scale industries whose importance as a source of consumer goods cannot be overestimated.

Just after December 1981, it looked as if General Jaruzelski had decided to follow this course of reform. Today, however, very little is left of the initial enthusiasm and the rhetorical determination to implement a new economic policy. And the results achieved during the last three years are criticized even by official Polish economists. Discussions of leading authorities on problems of economic reform and of practitioners of industrial management show that the dominant outlook is rather pessimistic.

The successive spectacular increases in the price of consumer goods have not achieved the expected effects. Groups with the strongest bargaining position—the army, the police, the party

[3] Interview with Mieczysław Rakowski, *Zdanie* (Cracow), May 1985, p. 39.

[4] *Rocznik Statystyczny 1984*, Warsaw: Główny Urząd Statystyczy, 1984, Tables 105–109, pp. 73–75.

[5] The Report of the Advisory Economic Council, *Życie Gospodarcze* (Warsaw), March 24, 1985, and "Komunikat GUS," *Rzeczpospolita* (Warsaw), February 4, 1985.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

apparatus, some categories of workers (coal miners, for instance)—obtain compensation for any decrease in their purchasing power. The burden of price increases therefore falls on those who are already underprivileged. The true problem, that of relations between industrial enterprises and the central planning board, is not even affected.

The economic reforms of General Jaruzelski's government are, to put it mildly, inconsistent. They are intended to introduce some market elements into the economy without diminishing the decision-making power of the political leadership and its executive organ, the Central Planning Board. One observes a revival of traditional distrust and hostility in governmental attitudes toward the private sector, strikingly parallel to the evolution of the new repressive legislation and the revival of hard-line rhetoric. After initial support for the development of small-scale enterprises, a campaign against such undertakings was launched in the media at the end of 1983. Allegedly, it was a struggle against "speculation" and unlawful "enrichment," but in fact it was an attack against private enterprise and was perceived as such. Tax and administrative regulations that constrained private investment before 1980 were not relaxed enough to increase significantly the share of the private sector in the national economy.[6]

All these actions are occurring in spite of the officially endorsed "Committee Poland 2000" report of the Polish Academy of Sciences, which predicts within a few years ecological deterioration, further pauperization of the populace, disintegration of transport, a dangerous decline in the motivation of workers and other dramatic developments. According to the report, "the long limitation of investments may have in the near future social and ecological consequences on an unimaginable scale."[7]

V

If all of the regulations introduced into the Polish legal system during the last four years were fully implemented, Poland would be a "normal" socialist country. But such is not the case. There are still oases of liberty in Poland. They exist, however, because of Solidarity's organized resistance and because of the independence and intransigence of the Roman

[6] *Rocznik Statystczny 1984*, op. cit., Table 577, p. 388.
[7] *Libération* (Paris), May 24, 1985.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Catholic Church, in spite of all efforts aimed at their destruction by the "enlightened" policy of General Jaruzelski.

In December 1981, Solidarity's nonviolent resistance was crushed by police and army units using tanks and live ammunition. Since then, Solidarity has failed to organize a successful general strike and all major street demonstrations have been brutally dispersed by the riot police; however, Solidarity has had more success in other forms of nonviolent struggle. It has created an unprecedented underground network of cultural, educational, publishing and other activities. Typical trade union activity is also carried on, especially at the shop floor and plant level.

One leader of underground Solidarity's national commission, Zbigniew Bujak, calls for Solidarity to promote a decidedly decentralized movement, and to adopt different methods of action, so-called positional warfare. That is, individual groups and social circles should refine techniques of resistance appropriate to their circumstances so that all together will be able to counteract the encroachments which the government conducts through its mass organization, the Patriotic Movement of National Renaissance, upon various aspects of social life.

According to Wiktor Kulerski, another leader of underground Solidarity, the development of independent social initiatives should lead to a situation where "the authorities control empty shops but not the market, workers' employment but not their livelihood, state-owned mass media but not the circulation of information, printing houses but not publishing, the post and telegrams but not communication, the schools but not education."[8] Kulerski believes that this sort of social independence could lead, in time, to a situation where the rulers would control only the police and a handful of sworn collaborators.

Even if such a belief seems exceedingly optimistic, it remains true that the strategy chosen by Solidarity has proved to be very effective. For instance, in 1984 one independent observer noted:

> Hundreds of underground periodicals are being published more or less regularly, scores of new titles are added annually to the already rich library of underground book publishing, some of them in quantities which would seem respectable even to Western commercial publishers. Living-room theatre, underground cabaret, unofficial art exhibitions are flourishing. Tens of thousands of Poles attend unofficial adult education classes . . .

[8] Wiktor Kulerski, "The Third Possibility," *Survey*, Summer 1982, p. 158.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

participation in the underground frequently taps professional skills that the state does not call upon. A group of historians is making ready for publication—out of the country and underground, of course—a vast history of Poland during the last forty years. The participants in such activities risk severe reprisals ranging from dismissal from their jobs to long terms of imprisonment under appalling conditions. Even so, their numbers appear to be growing.[9]

In estimating the percentage of the population involved in activities of Solidarity and of different oppositional groups connected with it, we encounter several concentric circles, starting with the very core composed of persons living completely underground under false identities. They are not numerous but they need the aid of many people who maintain liaison and who procure documents and money. Involved in all this are probably hundreds of persons. Then come all those who apparently lead a normal life, but who are at the same time clandestine Solidarity trade union organizers: members of regional commissions, of commissions in industrial enterprises and other different institutions, shop stewards and activists at various levels. Their number may be estimated at several thousand. To this one has to add members of groups monitoring violations of legality, their informants all over the country and also members of clandestine educational and cultural structures.

A very conservative estimate of the number of people necessary to publish and to distribute some 500 titles of the underground press and publishing houses yields at least 5,000 more; at the most modest count, the number of readers of this material may be near to half a million. Members of categories enumerated above, participants in trade union, cultural and educational activities, partly overlap with Solidarity's dues-paying membership; all in all they number several hundred thousand at least.

As Poland's urban population between the ages of 15 and 70 is composed of roughly 15 million persons, it follows from our estimate that between five and ten percent has some contact with underground activities. We do not even try to take into account all those who are listening with attention, and often with hope, to the voice of Solidarity's president, Lech Wałęsa.

[9] Aryeh Neier, "The Poles' Surprising New Phase," *The International Herald Tribune*, May 11, 1984. See also Timothy Garton Ash, "Poland: The Uses of Adversity," *The New York Review of Books*, June 27, 1985.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Nothing shows better that we may be underestimating this support than the official data on voter abstention. During the elections to the local councils in May 1984, Solidarity's appeal to boycott the vote was heeded by roughly 6.5 million persons, or about 25 percent of the electorate. According to the State Electoral Commission, 21 percent, or roughly 5.5 million voters, boycotted the October 13, 1985, elections to the Sejm. (Solidarity's estimate is 34 percent.) Though lower than the rate of abstention reported for the local council election, it is still an impressive figure when compared to the 1980 Sejm election, when participation attained a level of 98.8 percent. Analysis of the data of the State Electoral Commission shows that abstention was highest in urban and industrialized constituencies with a high percentage of workers—the greatest strongholds of Solidarity. The noteworthy point is that after almost four years of Jaruzelski's rule, more than 5.5 million Poles chose to defy the regime.[10]

VI

The number of participants in independent activities is even larger than that of supporters of Solidarity. It encompasses all participants in religious ceremonies and in cultural and educational activities conducted under the patronage of the Catholic church. The church is the only institution having an open, public existence while being independent of the state in its inner functioning and in the content of its teaching. This is why relations between the church and the government which is an executive organ of the Communist Party are at the very center of Polish politics.

Just after the imposition of martial law, General Jaruzelski indicated that he would like to cooperate with the church and would be ready to ease some administrative restrictions concerning religious practice in Poland. Although he ignored the church's successive initiatives asking for the respect of human rights and trade union freedoms, he nevertheless avoided an open confrontation with the Catholic hierarchy. After long and hard negotiations, he even gave his approval to the second visit to Poland of John Paul II, trying to make some political use of it. Apparently, at that time his policy was focused on the struggle against Solidarity, and conflicts with the church were considered undesirable.

[10] *Zycie Warsawy*, June 20, 1984 and October 11, 1985, and "Jan Krauze, le chef clandestine, commente le 'sucess modéré' du boycottage des élections, *Le Monde*, October 20-21, 1985.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Since the spring of 1984, however, the governmental media have increased the frequency of their attacks against those priests who never concealed their sympathies for Solidarity. They are accused of an abuse of religious freedom, and alleged to be organizing political antigovernmental manifestations under the cover of religious ceremonies. This campaign was intensified at the beginning of autumn 1984, when the Politburo of the Polish Communist Party published a document on the internal situation with one chapter of very violent criticism of the church. Then came the murder of Father Jerzy Popiełuszko by four officials of the Ministry of Interior. Suspected by public opinion of being responsible for this crime, General Jaruzelski stopped the antichurch campaign, which had undoubtedly encouraged the murder, and, in order to preserve his and his government's reputation, tried to present himself as a victim of a plot of anonymous hard-liners aiming at his overthrow.

The Toruń trial for the murder, which received unusual publicity, was arranged to exculpate the party and state authorities. To attain this, the public prosecutor and the judge did all they could to hide any possible connection between the four murderers and their patrons in the party and state apparatus. (But Mirosław Milewski, secretary of the Central Committee of the Polish Communist Party, the member of the Politburo responsible for internal affairs, was later obliged to resign from his position.) At the same time, with the active complicity of the defendants themselves, the prosecutor and judge tried to transform the trial of the murderers of Father Popiełuszko into a trial of their victim, some bishops and the Polish church in general.

The trial marked the end of a brief truce between the government and the church. The attacks started again, this time against the church's association with opposition intellectuals and artists.

On January 25, 1985, the minister of culture requested an investigation of the cultural activity conducted within churches. The vice president of Warsaw, Michał Szymborski, charged that through the "struggle for moral-political leadership in Poland the church tries to isolate and deprive socialist forces of influence."[11]

When in May 1985 General Jaruzelski met with the primate

[11] Michał Szymborski, confidential letter of March 4, 1985, answering the letter DBX-XX-530/3/85 from the minister of culture.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of Poland, Cardinal Glemp, after an interval of 18 months, they separated without any agreement despite several hours of discussion. And the audience accorded by Pope John Paul II to the Polish minister of foreign affairs was remarkable for its coldness. Between the state and the church there is still a latent conflict that comes to the surface from time to time, and which seems to become more and more acute. In this field, as in those of legislation, official rhetoric and economic policy, General Jaruzelski apparently is restoring a situation well known from the past.

In Polish postwar history, one can distinguish three cycles of government-church relations. Every time political opposition was strong, the authorities tried to have good relations with the church. This was the case in 1945–49, 1956–58 and January 1978 to April 1984. But when the authorities gained the impression that they were successfully reducing the influence of the political opposition, they immediately tried to curtail the activity of the church. They did not go so far as to oppose religious practice, but they accused the church of all sorts of political involvement and exerted pressures on the clergy through the use of different administrative means, sometimes even the police and courts. This policy was applied in 1949–1953, 1958–59, and since April 1984.

This second pattern of relations, a condition of neither peace nor war, was followed in the past by a period of open confrontation between the church and the Polish government. Sharp attacks on the church took place between 1953 and 1956 and from 1959 to 1977. There is some danger that we now face a third confrontation in government-church relations.[12]

Taking into account all of these complexities, one can express a judgment on the nearly four years of General Jaruzelski's policy. Hardly any one of the original conciliatory promises has been realized. If his words were of peace and understanding, his deeds were of war and oppression. Opportunities to open the way for some sort of political compromise were not missing even after December 1981, but all have been deliberately wasted by the Polish authorities.

The regime has not made any effort whatsoever to find a compromise with Solidarity. Despite the initial promises of General Jaruzelski himself and of the deputy prime minister,

[12] For a detailed analysis and references see: Krzysztof Pomian, "Religione e politica in Polonia" in G. Ruggieri, ed., *Una nuova pace costantiniana*, Casale Monferrato: Marietti, 1985, pp. 114–158.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Rakowski, the new Trade Union Act adopted in October 1982 banned all previously existing trade unions. In 1982–83, the unions of Polish journalists, writers and painters were also banned. These associations enjoy popular support in Poland but one could hardly imagine that they create a threat to the security of the regime. On the contrary, they could help to bridge the gap between the state and society. But evidently the authorities are not interested in this, for they have ignored successive conciliatory proposals of the Catholic church trying to act as a mediator between the Communist leadership and the independent social movement.

Even when the authorities made some concessions, these concessions appeared to be very short-lived. For instance, the Act on Higher Education adopted in 1982 was drafted already before the martial law, according to requirements of universities themselves. Yet this act was modified in July 1985, despite the protests of universities, so as to curtail all their autonomy and submit them to the arbitrariness of the state administration and the Communist Party. Last but not least, the idea of the Agricultural Fund subsidized from abroad via the church was introduced in the autumn of 1982. The fund created a chance to alleviate the most drastic shortages in food production in Poland. This project, however, is still waiting for governmental approval.

Developments since December 1981 indicate therefore that General Jaruzelski has ignored all major domestic opportunities to work out a compromise between the designs of the Communist rulers of Poland and the aspirations of the Polish nation. Increasingly, it has become clear that he has no intention whatsoever of negotiating with Moscow for any concessions on behalf of the Polish people. Two former leaders of the Polish Communist Party, Gomułka in 1956–59 and Gierek in the early 1970s, manifested at least some willingness to exploit a potential for flexibility on the part of the Soviet Union with respect to Eastern Europe. This consolidated their political power for some time, and also brought some relief to the Polish people. So far, it seems that General Jaruzelski merely seeks support and legitimacy from Moscow for the "normalization" policy we have described.

VII

Western reaction to the Polish situation is criticized as being improvised, ephemeral and disorganized. From the present Polish perspective this criticism is justified. After the martial

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

law decree, NATO countries could agree neither on a joint policy nor even on a joint rhetoric concerning violation of human rights in Poland. In this situation, Washington imposed economic sanctions on Poland but did not develop any comprehensive program of American participation in overcoming the Polish crisis. In consequence, American policy stimulated controversies inside the Atlantic alliance and failed to constrain the repressive policy of General Jaruzelski. As Jean-François Revel has put it: "The Soviets succeeded in the twin project of stepping on Poland while setting the Europeans against the Americans. They operated with total impunity, at least as far as we [that is, the West] were concerned; such problems as did arise for them stemmed not from our firmness but from the Poles' resistance."[13]

The creation of Solidarity in the summer of 1980 had attracted a certain amount of attention from the Carter Administration. When the Soviets deployed forces along Poland's borders in December 1980, President Carter warned that, although the United States had no desire to exploit the crisis, an invasion of Poland would have most negative consequences for U.S.-Soviet relations. This American policy was considered by the Poles to be relevant and effective. At the same time, the Carter Administration considered proposing a plan for "mini-Marshall aid" to Poland, intending to strengthen the credibility of liberalizing developments in that country.

During the first months of President Reagan's Administration, however, Polish affairs were apparently a matter of secondary concern. In particular, there was no longer any audible debate about "mini-Marshall aid" to Poland, nor was the crisis prevention policy adapted to the new developments in Poland. On the other hand, President Reagan's reaction to martial law was immediate, sharp and emotional. Although he was unable to convince all Western Europeans, his policy of sanctions was initially very popular in Poland. Solidarity activitists feared that further unconditional Western credits would assist General Jaruzelski to motivate his partisans rather than provide help for Polish citizens.

Nevertheless, the popularity of American sanctions has been gradually declining in Poland. In December 1983, Lech Wałęsa himself asked for relaxation of the sanctions. We can discern three basic reasons for such a change.

[13] Jean-François Revel, *How Democracies Perish*, New York: Doubleday, 1984, p. 36.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

First, American sanctions served the Polish regime as an excuse for its economic mismanagement and lack of will to introduce any comprehensive economic reform. General Jaruzelski was desperately seeking the popular legitimization of his regime, and someone had to be blamed for the prolonged misery of the Polish people. In this way, American sanctions became the key element of the official propaganda in Poland.

Second, the American policy of sanctions did not leave any freedom of political maneuver for Lech Wałęsa and Solidarity. Remarkable arguments were raised both in the West and in Poland that the negative policy toward the Polish military government should be combined with some positive elements, which could motivate Jaruzelski to lift repressions and give ordinary Poles hope for a better future in the event that Solidarity would again be legalized. But President Reagan did not go beyond an ambiguous statement that "if the Polish government introduces meaningful liberalizing measures, we will take equally significant and concrete actions of our own."[14] By the same token, the idea of the "mini-Marshall aid" to Poland was never instituted, and the conditions under which the American sanctions would be lifted were changeable and often unrealistic.

Third, West European governments failed to develop any solution for the Polish crisis, though by and large they opposed the American policy of sanctions. Even though several European governments officially endorsed sanctions, Europeans considered American actions as unilateral and inconsistent (for example, Americans boycotted a gas pipeline deal between Europe and the U.S.S.R. but promoted a grain deal with Moscow). In fact, however, West European policy itself was also manifestly inconsistent and incoherent.

The Poles found it difficult to understand why advocates of détente, who for a dozen years supported the idea of economic aid to the East as a means of pacifying communist regimes, declined to reduce such aid in 1982, in spite of the evidence provided by the imposition of martial law that the policy had failed. The Poles were also amazed by the tremendous gap between sharp European rhetoric against Jaruzelski's repressions and the mild actions adopted to constrain those repressions. For instance, French officials "condemned" and "re-

[14] Quoted in *Current Policy*, No. 621, October 11, 1984, Washington, D.C.: U.S. Dept. of State, Bureau of Public Affairs.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

proved" the "emergency regime" in Poland, but their most concrete action was the opening of the Polish section of Radio France Internationale. Other West European states failed to go even that far. In this respect, the attitudes of Greece and the Federal Republic of Germany evoked the greatest bitterness and confusion among the Poles.

VIII

Western disagreements did not emerge merely from different perceptions of the developments in Poland. They were also an expression of major differences over the most desirable model of East-West relations.

Soviet adventurist policy of the late 1970s evoked serious concern, especially in the United States. A crackdown on Solidarity was yet another confirmation of the aggressive nature of Soviet conduct. Even the usually cautious Secretary of State George Shultz declared in August 1984 that the United States "will never accept the idea of a divided Europe" and that "the tide of history is with us."[15] However, both American and European conservatives demanded from Western governments certain deeds against the Soviet bloc and not merely rhetoric. In this respect, as we all know, the conservatives have been profoundly disappointed by the Administration of President Reagan.

In principle, many Poles agree with certain arguments of the conservatives, but they have difficulty comprehending how some other conservative-sponsored policy recommendations, such as the proposal to denounce the Helsinki accords or to prompt the financial bankruptcy of Poland, would indeed serve the interests of the people in Eastern Europe.

Poles know, for instance, that the Helsinki accords cannot liberate Eastern Europe from the communist yoke. They did, however, create the diplomatic means to assist East European efforts to make the Soviet system more humane and less repressive. Therefore, in the Polish view, the point is to use these diplomatic means with wisdom and determination rather than to abandon them. As Andrei Sakharov has put it: "The critical international situation requires that Western participating states [i.e., participants in the Helsinki process] coordinate their tactics and pursue their goals with determination and consist-

[15] Quoted in "Shultz Sees Freedom Someday for Eastern Bloc," *The International Herald Tribune*, August 19, 1984.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ence . . . the whole point of the Helsinki accord is mutual monitoring, not mutual evasion of difficult problems."[16]

As far as the Polish case and other models of East-West relations are concerned, we can distinguish two Western bodies of pro-détente opinion. The first considers the détente policy as the only alternative to a cold war; accordingly, all confrontationist statements about the suppression of Solidarity can only contribute to yet greater tension in relations with Moscow and thereby stimulate the arms race and increase the danger of nuclear catastrophe.

Poles fiercely oppose such a perception of East-West relations. Solidarity leaders have repeatedly stated that it is not weapons but the minds behind weapons which create threats, and that lasting peace in Europe cannot be secured unless certain basic rights and aspirations of East European nations are met. Moreover, they argue that one cannot perceive world politics in the black and white terms of détente or cold war policies, leaving no place for pragmatism or conciliatory solutions.

The second pro-détente view is in fact much more pragmatic. Representatives of this approach argue that, despite a certain disillusion with the policy of détente caused by Soviet misbehavior, détente can still play an important role in East-West relations. In international politics, they argue, the choice is not simply between all and nothing. At present the real choice in policy with the Soviets is between a greater or lesser evil. As the West German editor, Theo Sommer, has put it: "However awful this basic truth may sound to us, we have no choice but to return to détente after each case of suppression [i.e., of Eastern Europeans], resuming the effort to limber up, to humanize, or as it were, to 'Finlandize' Eastern Europe."[17]

Unable to suggest any comprehensive solution for security and justice in Europe, proponents of this view argue that the West should try to achieve at least some limited Soviet concessions concerning small but important issues such as family reunification, military confidence-building and selected forms of economic cooperation. In practice, this means being resigned to the failure to achieve the more ambitious demands concern-

[16] Quoted in *Andrei Sakharov From Exile*, New York: The International League for Human Rights, 1983, p. 15.

[17] Theo Sommer, *The Challenge to the West: Problems, Objectives and Policy Options*, London: Adelphi Papers, No. 189, 1983, p. 37.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ing freedom of trade unions or freedom of information. After all, the argument concludes, it is hard to expect that Moscow would make concessions that would directly threaten the integrity of their system.

In principle, many Poles welcome some sort of compromise with Moscow and reject the rule of "all or nothing." Nevertheless, they have important arguments against the specific model of compromise advocated by this pragmatic pro-détente orientation. There is a danger that the adoption of this policy would result in an unwanted appeasement of the Soviet Union. Limited Soviet concessions in the field of family reunification in Germany, however desirable, cannot compensate for the crushing of Solidarity or for the invasion of Afghanistan. Moreover, the obsession with good relations with Moscow, which could in turn produce some limited progress in the field of economic or diplomatic cooperation, makes it easy for the Soviet Union to mislead or even blackmail Western Europeans for concessions to achieve such progress.

Finally, the small compromises advocated by this pragmatic model of détente are probably insufficient to deal with deep political and economic crises in countries such as Poland, Romania or Yugoslavia. In other words, the small compromise with communist regimes would tend to stimulate conflicts in some East European countries rather than contribute to the peaceful settlement of these conflicts. Western failure to exert strong pressure on governments in Warsaw, Bucharest or Belgrade to put their economies in order and restrict the violations of human rights could have very negative consequences for developments in these countries and therefore for Europe as a whole. The West can hardly afford yet another crisis in Poland or a pro-Moscow military coup d'état in Yugoslavia.

IX

Our analysis leads to the following conclusions:

The Polish crisis is not yet over. On the contrary, the present policy of General Jaruzelski's regime perpetuates existing problems and increases the probability of a violent explosion in Poland. The behavior of the Polish government challenges universal ethical standards and violates a number of international conventions ratified by Poland.

The United States and West European states have at their disposal various means which could influence developments in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Poland and by the same token increase the chances for a gradual, peaceful settlement of the Polish crisis.

Western countries should forswear the empty rhetoric of the "crusade for democracy" since it creates the impression that they are willing to do more than they actually can do in Eastern Europe. But Western policymakers should also strive to avoid indifference and vacillation with respect to Eastern Europe. Indecision, weakness and signs of division within the Western alliance are skillfully exploited by the Soviet Union.

There is no single blueprint solution for dealing with Poland. In fact, we have tried to indicate that from the point of view of Solidarity, the solution for the Polish crisis—and for that matter for dealing with Moscow—can come about only as the result of day-by-day bargaining to which no single lasting model of pressure and compromise can be applied. This solution cannot emerge from the logic of an "all or nothing" policy which perceives relations with Moscow in terms of either détente or cold war.

Let us then present a few concrete proposals for dealing with the Polish crisis.

Special attention should be given to the International Monetary Fund policy toward Poland. We are aware of the difficulty in expecting the IMF to set political conditions for Poland. But to achieve any kind of economic progress, political conditions, however minimal, are absolutely essential. Trade union pluralism at least at the local level must be allowed, and secrecy and censorship concerning economic matters (excluding those with military implications) must be abolished. Without these conditions no independent monitoring of policies is possible, and that includes the implementation of any recommendations by the IMF.

The road to improvement of Poland's economic situation, and its ability to service its debts in particular, can only be carried out through a structural change in the economic mechanism. A precondition of paramount importance is the full and genuine observance of equal rights in economic activity for all ownership sectors: private, municipal, cooperative and state. Special attention should also be paid to direct measures which would stimulate exports through a more realistic and flexible exchange-rate policy. Investment policy (including projects financed by the IMF) should be evaluated from this point of view.

The measures required by the IMF should not lead to a substantial reduction in consumption, to price increases, to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

freezes on real wages or to deterioration in social care. A further decline in living standards would not only be harmful to economic recovery, but also increase the danger of an uncontrolled social upheaval with all of the ensuing consequences.

A further deterioration in the standard of living could be combated through the increase of agricultural production. Therefore we very strongly endorse the plan of the Episcopate of the Polish Catholic Church to channel private and public contributions from the West to private family farms through an autonomous foundation closely associated with the church. This program should be designed to give private peasants access to machinery, fertilizers and other agricultural materials that are hard to obtain in Poland. Special political pressure should be put on the Polish authorities to accept this program.

The second important area in which the West could contribute to overcoming the Polish crisis is the area of education, information, science and culture. The West can help the Poles to preserve their European identity, and at the same time to resist cultural sovietization of Poland.

We recommend increased Western investment in radio broadcasting to Poland in Polish. These radio programs represent the most accessible source of information for the Poles, who are under constant pressure from campaigns of misinformation conducted by the state-controlled mass media.

We endorse various sorts of cultural exchange. Western assistance in the field of culture might first of all consist of sending books and films to Poland, and of translating Western books and especially university handbooks. To make this possible on a large scale, some arrangement should be found that would enable Polish publishers to avoid paying for copyrights in hard currency.

We also support various sorts of scientific and educational exchange with Poland. This exchange ought to be decentralized, however, and Western partners should have a say in selecting people for the exchange programs. Priority should be given to the exchange of students and scholars specializing in medicine and agriculture.

Finally, we would like to recommend continuation of humanitarian help to Poland, especially in the field of medicine. Today, the situation of Polish hospitals is particularly tragic.

There is one field where compromises and concessions should be avoided, and that is in the field of basic human rights.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Of course, there is no clear borderline between politics and human rights. But one can hardly understand why, for instance, West European governments withdrew a draft of the resolution submitted at the last session of the United Nations Commission on Human Rights that condemned violations of human rights in Poland. We also find it difficult to understand the passive attitude of certain Western delegations at the recent human rights review conference in Ottawa, conducted within the framework of the Helsinki conference. It is our view that the West should make clear that its requests that the Soviet bloc live up to its international obligations expressed in the Helsinki Final Act or in the Universal Declaration of Human Rights do not represent an interference in the Soviet bloc's internal affairs.

To accept Soviet arguments that détente leads to greater respect for human rights and that international tension leads to a clampdown on those rights would mean that governments may hold their own people hostage, treating them either well or badly depending on the way the same governments are treated by other countries in international affairs. Respect for human rights leads to a relaxation of international tension, rather than the other way around.

In dealing with Poland, the real choice of the West lies therefore not in supporting either Stalinism or Kádárism, or either hawks or doves in the Polish Politburo. It lies between actions that have the effect of strengthening the repressive government of Jaruzelski and policies that encourage the liberal alternative symbolized by Solidarity.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

RECENT BOOKS ON INTERNATIONAL RELATIONS

Edited by Lucy Edwards Despard

General: Political and Legal

John C. Campbell

EXPERIENCING THE TWENTIETH CENTURY. Edited by Nobutoshi Hagihara and others. Tokyo: University of Tokyo Press, 1985, 384 pp. (New York: Columbia University Press, distributor, $24.50).

At a retreat in Japan a group of thinkers from the industrial democracies met to consider the trends of the twentieth century and the prospects for mankind. The agenda was almost without limits, as it included (*inter alia*) war and peace, imperialism and the sovereign state, freedom and community, rich nations and poor, the tyranny of advancing technology, man's inhumanity to man, and the meaning of history. To read this book is to stretch the mind, and also to sense the extremes of hope and despair, of human achievement and human degradation, that have marked the experience of this century.

THE HEAVY DANCERS: WRITINGS ON WAR, PAST AND FUTURE. By E. P. Thompson. New York: Pantheon, 1985, 361 pp. $22.95 (paper, $12.95).

A leading spokesman for the European peace movement and the British campaign for nuclear disarmament sets forth his beliefs and, with a good deal of *ad hominem* argument, describes and defends his and others' efforts on behalf of the cause. Some of the material is reprinted from the past, including his side of the debate with Secretary Caspar Weinberger at the Oxford Union in 1984; much of it is new and up to date. Thompson's shafts are aimed primarily at the cold war itself and the establishments in Washington and Moscow (including Moscow's own managed "peace movement") which live by it. His goal is the growth of a nonaligned peace movement that bypasses governments, a "democratic internationalism of the citizenry East and West." However questionable his ideas may be from the standpoint of Western security, however utopian the vision, the movement is likely to persist as long as the cold war goes on.

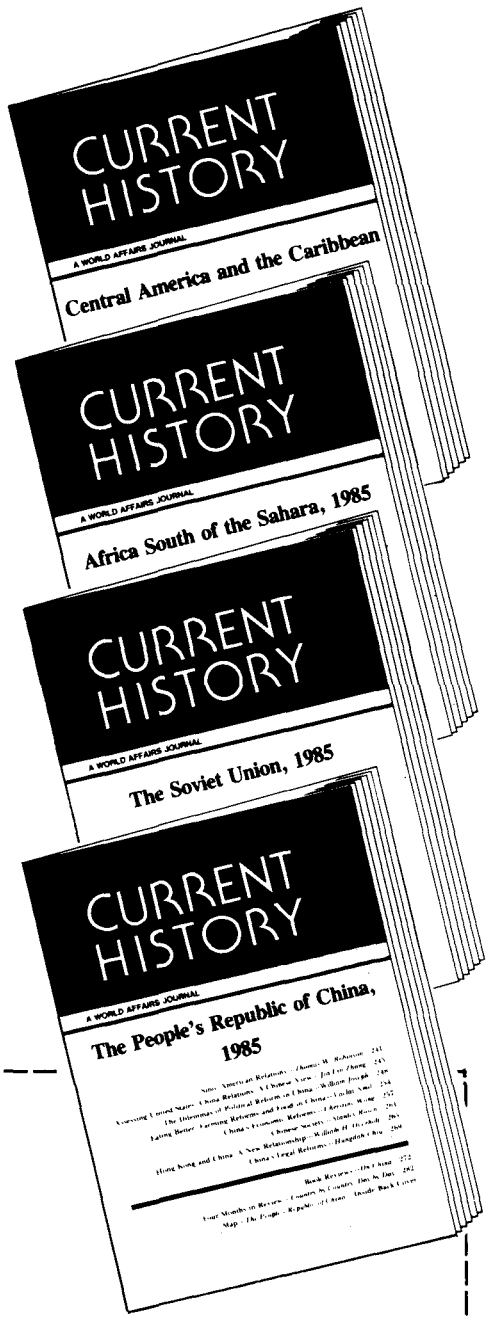
THE BREAKING OF BODIES AND MINDS: TORTURE, PSYCHIATRIC ABUSE, AND THE HEALTH PROFESSIONS. Edited by Eric Stover and Elena O. Nightingale, M.D. New York: Freeman, 1985, 336 pp. $21.95 (paper, $11.95).

Testimony to the widespread practice of torture systematically carried out by governments, and to the many instances in which doctors and other health professionals have participated in such atrocities. Most of the case studies are from Latin America and the Soviet Union, but the practice takes place all over the world, as investigations by Amnesty International and other organizations have amply shown. This is a matter affecting not only the medical profession, to which the book appeals for whatever action it can take, but also governments on whose agenda the question of human

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Our 72nd year

We give you facts, not opinions



CURRENT HISTORY magazine gets you right to the point, in nine single-topic issues a year. You get comprehensive summaries of each of the world's trouble spots, concisely reporting the economic, military and political picture, and spelling out U.S. foreign policy in the area.

You also get maps, timely book reviews and "THE MONTH IN REVIEW" section —a day by day, country by country calendar-guide to lead you simply and quickly through the complexities of fast-changing world affairs.

Get the facts.
Just fill out the reply form below and mail it today!

Yes, enter my subscription for one year.
9 issues for $24.50. Save $7.00 under the single-copy price.

Name _____

Address _____

City _____

State _____ Zip _____

Signature _____

CURRENT HISTORY
4225 MAIN STREET PHILADELPHIA, PA. 19127

Allow 6 to 8 weeks for delivery

D20

☐ Payment enclosed ☐ Bill me

Charge my:
☐ MasterCard ☐ Visa ☐ AmEx

Card No. _____

Exp. date _____

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Allen & Unwin

The International Perspective

ORDINARY STALINISM
Democratic Centralism and the Question of Communist Political Development
Ronald Tiersky
"An inquiry into the political theory of communism and the practice of both ruling regimes and nonruling parties. . . . the chapters on recent trends in the Communist Parties of France . . . and Italy . . . are particularly good, and the entire study is well reasoned and full of original insights." **Foreign Affairs** *1985 280pp. HB $19.50 0-04-320168-7*

ETHNIC RELATIONS IN THE USSR
The Perspective from Below
Rasma Karklins
With this study, Karklins makes an important contribution to our understanding of ethnic relations in the USSR. Her work demonstrates that ethnicity is not just a cultural given or a political identity to be manipulated from above, but has concrete meaning for the everyday experience of individuals. *1985 280pp. HB $27.50 0-04-323028-8*

SIKH SEPARATISM
The Politics of Faith
Rajiv A. Kapur
This is an historical analysis of the vitally important separatist movement which occupied the Golden Temple, assassinated Indira Gandhi and continues to threaten the existence of the world's largest democracy. *June 1986 240pp. HB $25.00 0-04-320179-2*

THE ENGLISH SPEAKING ALLIANCE
Britain, the United States, the Dominions and the Cold War 1945-1951
Ritchie Ovendale
Told from sources in the British, American and Australian archives, this is the story of how the post-war Labour governments sustained the image of Britain as a world power, and laid the foundations of the West's Cold War foreign policy. *1985 280pp. HB $27.00 0-04-327078-6*

HONECKER'S GERMANY
David Childs, Editor
Bringing together leading scholars from Britain, West Germany, and the United States, these incisive essays examine Honecker's German Democratic Republic in light of political, military, social, and economic issues, as well as relations with the US and the USSR. *1985 200pp. HB $25.00 0-04-354031-7*

Available at good bookstores or direct from

Allen & Unwin, 8 Winchester Place, Winchester, MA 01890
MC/VISA orders call toll free: (800) 547-8889
In Mass. and Canada, call: (617) 729-0830

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Considering today's headlines—

Shouldn't you be reading the inside story?

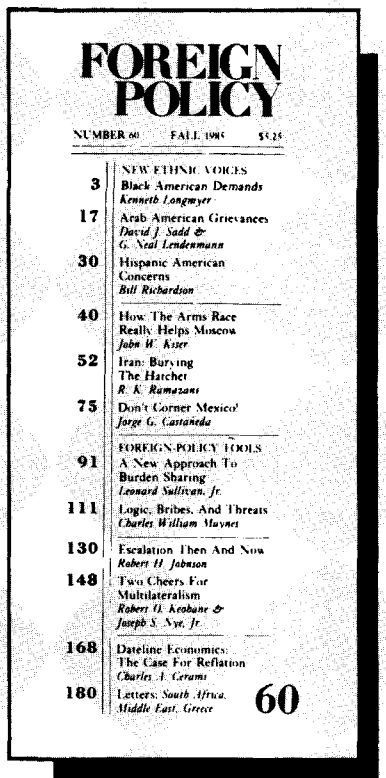
The same one ambassadors, senators, foreign service officers, and the president are reading?

In times like these, readers can only interpret headlines and events if they know more than the news magazines and networks are telling. And in world affairs, it's the inside story that lets you predict and understand.

"FOREIGN POLICY . . . is stimulating, fresh, and thought-provoking."
DAN RATHER
CBS NEWS

That's what FOREIGN POLICY is all about. It's the independent journal, committed to bringing you fresh perspectives—all the facts and insights behind the news. Its articles are sometimes controversial and always highly respected.

FOREIGN POLICY not only presents world news, it helps make it. Former Israeli Foreign Minister Abba Eban's article questioning whether America's timidity was bringing the Middle East closer to war received wide attention in the press.


FOREIGN POLICY

NUMBER 60 FALL 1985 $5.25

NEW ETHNIC VOICES
3 Black American Demands — Kenneth Longmyer
17 Arab American Grievances — David J. Sadd & G. Neal Lendenmann
30 Hispanic American Concerns — Bill Richardson
40 How The Arms Race Really Helps Moscow — John W. Kiser
52 Iran: Burying The Hatchet — R. K. Ramazani
75 Don't Corner Mexico! — Jorge G. Castañeda
FOREIGN-POLICY TOOLS
91 A New Approach To Burden Sharing — Leonard Sullivan, Jr.
111 Logic, Bribes, And Threats — Charles William Maynes
130 Escalation Then And Now — Robert H. Johnson
148 Two Cheers For Multilateralism — Robert O. Keohane & Joseph S. Nye, Jr.
168 Dateline Economics: The Case For Reflation — Charles L. Gerans
180 Letters: South Africa, Middle East, Greece

60

If you were a subscriber last year, you read Allan E. Goodman's article probing recent CIA intelligence failures, Roy Gutman's ground-breaking account of the ill-fated negotiations between the U.S. and Nicaragua since 1980, and Konstantin Simis's appraisal of the Gorbachev generation of Soviet leaders.

When FOREIGN POLICY won an Olive Branch Award for its outstanding coverage of the nuclear arms issue in 1983, it was no surprise. FOREIGN POLICY is

"FOREIGN POLICY . . . important reading in an uneasy world . . ."
GARY HART
U.S. SENATOR

the one foreign affairs periodical that checks and rechecks its facts, and chooses authors who have something to say.

To know what's really going on in this world, read FOREIGN POLICY, the slender journal with wide influence. Subscribe by **February 15, 1985** to receive the next four issues at last year's price.

FOREIGN POLICY's Up-front Guarantee: If you are not satisfied with your first issue, you may cancel and receive a full refund.

Send to:

FOREIGN POLICY
Subscription Department
Box 984
Farmingdale NY 11737

7FA512

YES I'd like the inside story.

Please enter my one-year subscription before **February 15, 1985,** so I'll qualify for last year's subscriber rate and save.

☐ Payment of $19 enclosed * ☐ Bill me later
☐ Bill my credit card: American Express, VISA, or MasterCard (circle one)

_____ Expiration Date _____

Signature _____

Name _____
(Please Print)

Address _____

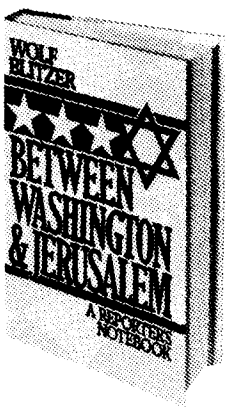
City _____ **State** _____ **Zip** _____

* Make checks payable to FOREIGN POLICY. Please allow four to six weeks for delivery. Outside USA add $5 for surface mail, $20 for air mail.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A behind-the-scenes look at the machinery that drives American-Israeli relations

From the acclaimed Washington Bureau Chief of The Jerusalem Post



• "I consider Wolf Blitzer an essential resource for understanding American-Israeli relations."
—**Jack Kemp**

• "I am a constant reader of whatever Wolf Blitzer writes about American-Israeli relations. I strongly commend his good judgment and specialized perceptions to the readers of this book."
—**Abba Eban**

$15.95.

A dozen experts illuminate the uneasy relations between the U.S. and the world

ESTRANGEMENT
America and the World
Edited by SANFORD J. UNGAR

Contributors explore the increasing estrangement between America and its major adversaries, its former allies, and the nations of the Third World. Familiar episodes in postwar American foreign policy are cast in a new and revealing light.
"A thought-provoking and chastening summary—whether or not one agrees with everything the various authors are saying."
—**Kirkus Reviews**
$17.95

At better bookstores or send your check to:
OXFORD UNIVERSITY PRESS, Dept. HS-FA, 200 Madison Ave., NY, NY 10016

WHEN YOU DON'T HAVE ALL THE TIME IN THE WORLD...

WORLDWATCH

...gives you *all* the facts and dates you need to know to keep ahead of international developments *before* they happen. And try it for six weeks—with absolutely no obligation! After the six week trial, you'll be billed $295 for a full year's subscription.

WORLDWATCH is a weekly news service *(you will receive it every Monday morning!)* publishing over 400 facts about important forthcoming business, economic and political events around the world. THAT'S OVER 20,000 FACTS A YEAR!.

GET ADVANCE NOTICE OF • summit meetings • elections • legislation • business events • major reports • foreign tours of ministers • economic indicators • referendums • conferences • demonstrations • strikes

WORLDWATCH is published 46 times a year, and has a special U.S. section that gives you more advance information on future events in the U.S. than any other publication in existence! So when you don't have all the time in the world—let WORLDWATCH bring you the future world in condensed form. A time-saver, a planning tool, an invaluable reference— WORLDWATCH—get it before your competition does!

Order your no risk subscription to WORLDWATCH today! Please send your request to FACTS ON FILE or save time and dial direct. **Call us at 1-800-322-8755** (except in New York, Hawaii, or Alaska). You'll receive your six-week trial subscription with absolutely no obligation to subscribe.

GET TOMORROW'S NEWS TODAY WHILE YOUR COMPETITION IS STILL READING WHAT'S HISTORY

ONLY WITH **WORLDWATCH**

FACTS ON FILE INC. 460 PARK AVENUE SOUTH, NEW YORK, N.Y. 10016

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS

IF YOU CAN'T HAVE IT ALL . . .

REPRINTS

THE NEXT BEST THING!

The Sources of Soviet Conduct
"X," George F. Kennan
No. 25403, July 1947

New Realities and New Ways of Thinking
George P. Shultz
No. 63401, Spring 1985

Misconceptions about Russia Are a Threat to America
Aleksandr Solzenitsyn
No. 58402, Spring 1980

Nuclear War and Climatic Catastrophe: Some Policy Implications
Carl Sagan
No. 62202, Winter 1983/84

Foreign Policy Under Reagan II
Henry Grunwald
No. 63201, Winter 1984/85

The President's Choice: Star Wars or Arms Control
McGeorge Bundy, George F. Kennan, Robert S. McNamara, Gerard Smith
No. 63203, Winter 1984/85

The Military Role of Nuclear Weapons: Perceptions and Misperceptions
Robert S. McNamara
No. 62104, Fall 1983

The Future of Yalta
Zbigniew Brzezinski
No. 63204, Winter 1984/85

What Are the Lessons of Vietnam?
David Fromkin and James Chace
No. 63402, Spring 1985

Rumors of War: The 1914 Analogy
Miles Kahler
No. 58209, Winter 1979/80

Coming to Grips with Vietnam
John Wheeler
No. 63403, Spring 1985

Scientific Frontiers and National Frontiers: A Look Ahead
Lewis Thomas
No. 62408, Spring 1984

The U.S. and Western Europe: Wait and Worry
Stanley Hoffmann, No. 63309
America and the World 1984

The Price and the Promise
Amine Gemayel
No. 63404, Spring 1985

Beyond Free Trade
Robert B. Reich
No. 61402, Spring 1983

Lebanon and its Inheritors
Fouad Ajami
No. 63405, Spring 1985

The Care and Repair of Public Myth
William H. McNeill
No. 61101, Fall 1982

The Gorbachev Succession
William G. Hyland
No. 63406, Spring 1985

NEW AND AVAILABLE:

Superpower Summitry
Richard Nixon
No. 64101, Fall 1985

Troubled Coexistence
Adam B. Ulam
No. 64102, Fall 1985

Gorbachev's Strategy
Jerry F. Hough
No. 64103, Fall 1985

Gorbachev and Economic Reform
Marshall I. Goldman
No. 64104, Fall 1985

Demystifying Contadora
Susan Kaufman Purcell
No. 64105, Fall 1985

The Right to Intervene
Lloyd N. Cutler
No. 64106, Fall 1985

The Busyness of American Policy
Ernest van den Haag
No. 64107, Fall 1985

War Powers Reconsidered
Jacob K. Javits
No. 64108, Fall 1985

Israel's Security Option
Amos Perlmutter
No. 64109, Fall 1985

Refugees: A Never-Ending Story
W. R. Smyser
No. 64110, Fall 1985

The Eagle and the Bear
James Schlesinger
No. 63501, Summer 1985

Between an Unfree World and None
Albert Wohlstetter
No. 63502, Summer 1985

American Economic Policy and the World Economy
Martin Feldstein
No. 63503, Summer 1985

New Zealand's Security Policy
David Lange
No. 63504, Summer 1985

Europe Without America: The Erosion of NATO
Earl C. Ravenal
No. 63505, Summer 1985

Arms Control: Crisis or Compromise
John Steinbruner
No. 63506, Summer 1985

A View from Taipei
Yu-ming Shaw
No. 63507, Summer 1985

A View from Beijing
Guo-cang Huan
No. 63508, Summer 1985

The African Crisis: Drought and Debt
Henry F. Jackson
No. 63509, Summer 1985

Appointment in Oujda
Richard B. Parker
No. 63510, Summer 1985

In addition to these selected articles, every article since our Spring 1983 issue is available in reprint form. Reprints from this Winter 1985/86 issue may be ordered by titles only.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS REPRINTS

Reflections on American Diplomacy
Henry A. Kissinger
No. 35104, October 1956

A World Awash in Grain
Barbara Insel
No. 63411, Spring 1985

The Public Mood: Nuclear Weapons and the U.S.S.R.
Daniel Yankelovich & John Doble
No. 63102, Fall 1984

The Underdeveloped and the Overdeveloped
Margaret Mead
No. 41108, October 1962

Origins of the Cold War
Arthur Schlesinger, Jr.
No. 46102, October 1967

Nuclear Strategy: Can There Be a Happy Ending?
Fred Charles Iklé
No. 63407, Spring 1985

When Deterrence Fails
Leon Wieseltier
No. 63408, Spring 1985

The Defense Program: Buildup or Binge?
Richard Stubbing
No. 63409, Spring 1985

Nuclear Weapons and the Atlantic Alliance
McGeorge Bundy, George F. Kennan, Robert S. McNamara, Gerard Smith
No. 60401, Spring 1982

The Bent Twig: A Note on Nationalism
Isaiah Berlin
No. 51102, October 1972

Energy Strategy: The Road Not Taken?
Amory B. Lovins
No. 55105, October 1976

Foreign Policy and the American Character
Arthur Schlesinger, Jr.
No. 62101, Fall 1983

The Nuclear Debate
Robert W. Tucker
No. 63101, Fall 1984

Time Bomb or Myth: The Population Problem
Robert S. McNamara
No. 62505, Summer 1984

Latin American Debt
Pedro-Pablo Kuczynski
No. 61206, Winter 1982/83

Latin American Debt: Act Two
Pedro-Pablo Kuczynski
No. 62102, Fall 1983

The Danger of Thermonuclear War
Andrei Sakharov
No. 61501, Summer 1983

Tropical Deforestation: A Global View
Nicholas Guppy
No. 62407, Spring 1984

India after Indira
Paul H. Kreisberg
No. 63410, Spring 1985

Nicaragua's Imperiled Revolution
Arturo J. Cruz
No. 61503, Summer 1983

REPRINT PRICES

1 reprint	$3.00 each
2–100 of same article	2.00 each
101–200 of same article	1.50 each
201–300 of same article	1.25 each
More than 300 reprints	Quotation on request

Foreign Affairs
Reprints Department
58 East 68 Street
New York, NY 10021
Telephone (212) 734-0400

EUROPEANS: Our new OVERSEAS REPRINT SERVICE will fill your orders promptly. Mail order card to Foreign Affairs Overseas Reprint Service, c/o Dynamic Graphics International, PO Box 25, 3950 AA Maarn The Netherlands. You will be invoiced in preferred currency. This service is also available to our readers in Africa, the Middle East and the Far East.

Clip and mail to Reprints Department, Foreign Affairs, 58 East 68th Street, New York, NY 10021

Reprint No.	Title	Quantity	Price
		Shipping & Handling	
		Total	

FOREIGN AFFAIRS

Included with your order, a *free* 1985/86 Reprints Catalogue, just published. (You'll receive updated catalogues automatically thereafter.) You may request the catalogue only.
Catalogue Only—FREE ☐

SHIP THIS ORDER TO: Date _____

Please Print
Name _____

Title _____

Organization _____

Street _____

City _____

State _____ Zip Code _____ Country _____

☐ Payment Enclosed ☐ Bill Me Payment must accompany orders under $20.00.

Please add 10% for shipping and handling on all orders shipped within the U.S. Please allow 2–3 weeks for delivery.

WIN 85/86

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rights has a place. The book grew out of an inquiry launched by the American Association for the Advancement of Science.

LAW, FORCE AND DIPLOMACY AT SEA. By Ken Booth. Winchester (Mass.): Allen & Unwin, 1985, 231 pp. $25.00 (paper, $12.50).

In the recent treaty negotiations on the law of the sea the principle of freedom of the seas, important to the major naval powers, was often at odds with the claims and desires of coastal states. In general, the United States came off fairly well in safeguarding its positions relevant to naval strategy and to what the author calls "naval diplomacy," but its rejection of the treaty (on another issue, the exploitation of the seabed) and the trend toward "territorialization" of the seas may make them more difficult to maintain in the future. On the entire subject of the law of the sea from the standpoint of naval strategy and operations Booth writes with authority and originality, and he may even succeed in his secondary aim of making military strategists and international lawyers more intelligible to each other.

MANAGING THE OCEANS: RESOURCES, RESEARCH, LAW. Edited by Jacques G. Richardson. Mt. Airy (Md.): Lomond Publications, 1985, 407 pp. $28.95.

In contrast to Ken Booth's book (noted above), this volume, a UNESCO enterprise, devotes only one of 35 chapters to military matters: a piece by Frank Barnaby, a leader in peace research, who briefly describes the superpowers' naval forces and deplores the naval arms race as a possible major contributor to global nuclear war. The rest of the book is a virtual encyclopedia, with pages of interesting and valuable information on marine resources, ocean research, aquaculture, ecology and pollution, meteorology, governmental and non-governmental cooperation, and a host of other matters. The new Law of the Sea treaty's provisions on the seabed are hailed as a big step toward the new international economic order.

UN: WE BELIEVE AND OTHER ESSAYS. By Waliur Rahman. Dhaka: Rahman, 1985, 84 pp. (Dhaka: University Press Limited, distributor, $10.00).

Ambassador Rahman has for years been active in the U.N. on behalf of the Bangladesh government and even before Bangladesh became a member in 1974. These essays, topical and brief, cover the decade 1974–1984, and cover such subjects as the North-South dialogue, the question of the continental shelf and the law of the sea, the energy crisis, and other international matters that came before the U.N. in that decade.

THE PLIMPTON PAPERS: LAW AND DIPLOMACY. Edited by Pauline Ames Plimpton. Washington: University Press of America, 1985, 143 pp. $16.95 (paper, $10.75).

Francis Plimpton was the personification of that endangered but remarkably durable species, the gentleman lawyer-diplomat. He had a long distinguished career in the law and was deputy permanent representative to the United Nations under Adlai Stevenson from 1961 to 1965—a period which Richard N. Gardner called "the golden age of the U.S. Mission." Pauline Ames Plimpton has collected and edited his papers, speeches and articles, and comments and reminiscences from friends and family. They recall a man of wit, civility, and great breadth of interest. L.D.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

General: Military, Technological, and Scientific

Andrew J. Pierre

WEAPONS IN SPACE. VOL. I: CONCEPTS AND TECHNOLOGIES. Cambridge: *Daedalus*, Spring 1985, 192 pp. $5.00.
WEAPONS IN SPACE. VOL. II: IMPLICATIONS FOR SECURITY. Cambridge: *Daedalus*, Summer 1985, 200 pp. $5.00.

This double issue of *Daedalus* is timely, important and well conceived, resulting in the best presentation to date of the pros and cons of the new initiatives for ballistic missile defense and antisatellite weapons. The contributors are authoritative and represent differing points of view. The contributions include a discussion and assessment of the basic technologies, U.S. and Soviet programs, and the perspectives of allies in Europe and Asia. A highly controversial subject is presented with balance and moderation, resulting in a beam of clarity in a sea of confusion.

THE MILITARIZATION OF SPACE: U.S. POLICY, 1945–1984. By Paul B. Stares. Ithaca (N.Y.): Cornell University Press, 1985, 352 pp. $25.00.

This is a carefully researched, well-documented account of the U.S. military space program under successive administrations. What is especially interesting is that, despite Sputnik and the advent of reconnaissance satellites, the development of antisatellite space weapons was resisted from the time of the Eisenhower Administration until the late 1970s. Indeed, Eisenhower wanted to keep U.S. activities in space "peaceful" so as to avoid a threat to reconnaissance satellites. When Soviet satellite interceptor tests became a matter of concern, the Carter Administration pursued a two-track policy of seeking to develop the technology and to ban its deployment through negotiations with the Soviet Union; thereafter, the Reagan Administration dropped arms control efforts and insisted upon testing. The author concludes that an arms race in space is now inevitable—and that a solid opportunity has been lost. This will be a valuable and important book even for those who may not share Stares' gloomy prognosis.

THE NUCLEAR DEBATE: DETERRENCE AND THE LAPSE OF FAITH. By Robert W. Tucker. New York: Holmes & Meier, 1985, 132 pp. $9.95 (paper). A Lehrman Institute Book.

A thought-provoking and original essay which examines the growth of skepticism about the present system of nuclear deterrence. Tucker resists predicting the ultimate outcome, but he views the nuclear debate of this decade as an important "lapse of faith" in deterrence and he doubts there will ever be a full restoration of confidence.

PREVENTING NUCLEAR WAR: A REALISTIC APPROACH. Edited by Barry M. Blechman. Bloomington: Indiana University Press/Washington: Center for Strategic and International Studies, 1985, 197 pp. $22.50 (paper, $17.50).

Arms control thus far has essentially focused on the *capabilities* of the two superpowers, but an erroneous perception of each other's *intentions* may be equally dangerous. The Working Group on Nuclear Risk Reduction, co-chaired by Senators Sam Nunn and John Warner, has explored pragmatic and politically feasible means of reducing the risk of war. It

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

recommends the establishment in Moscow and Washington of "nuclear risk reduction centers," and a variety of technical means to improve communications and exchange of information, including how both the U.S. and the U.S.S.R. might cope with nuclear terrorism and third-party dangers. This excellent book publishes the background papers written by well-selected experts. In a critical field not producing many fresh ideas, they do just that.

VERIFICATION AND ARMS CONTROL. Edited by William C. Potter. Lexington (Mass.): Lexington Books, 1985, 260 pp. $29.00.

Recent years have witnessed an increased stress upon the verification of arms control agreements, both as a technical problem and as a political issue. As one contribution here points out, the middle ground has shrunk between those who are persuaded that the Soviets are "cheating" and those who are willing to take some verification risks for the sake of achieving arms control. This volume should be welcomed as a useful contribution to the national debate. One new angle, according to a Lawrence Livermore physicist who served as a member of the delegation to the various test-ban treaty negotiations, is the limited effectiveness of on-site inspection as compared to other means of verification.

AMERICAN DEFENSE ANNUAL: 1985–1986. Edited by George F. Hudson and Joseph Kruzel. Lexington (Mass.): Lexington Books, 1985, 277 pp. $13.95.

This is the first in what is planned as an annual series focusing on current major issues in the debate on American defense policy. The authors are authoritative and include former government officials as well as academics and other experts; they put forth their views in a direct and lively manner, and the editors have balanced their political perspectives. There is much debate in the volume and a useful chronology of defense events during the year. However, the volume's subtitle, to be accurate, should be: 1984.

THE NUCLEAR SUPPLIERS AND NONPROLIFERATION. Edited by Rodney W. Jones and others. Lexington (Mass.): Lexington Books, 1985, 253 pp. $32.00.

LIMITING NUCLEAR PROLIFERATION. Edited by Jed C. Snyder and Samuel F. Wells, Jr. Cambridge: Ballinger, 1985, 363 pp. $29.95. A Wilson Center Book.

The first of these books makes its most interesting contribution in the chapters on the emerging or "second-tier" suppliers of nuclear materials, devices and technologies: suppliers such as China, India, Brazil, Argentina and South Africa. These countries are usually motivated by financial considerations and in most cases do not subscribe to the Nonproliferation Treaty. Various proposals are made as to how most effectively to have them participate in international export controls. The second volume discusses the nonproliferation issue well, but less originally, by focusing on "threshold" states, the nonproliferation regime, and various strategies for managing the problem.

THE NUCLEAR CONFRONTATION IN EUROPE. Edited by Jeffrey D. Boutwell, Paul Doty and Gregory F. Treverton. Dover (Mass.): Auburn House, 1985, 247 pp.

Focusing on the debate over theater nuclear forces in Europe, this volume, produced at Harvard's Center for Science and International Af-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fairs, discusses the background events of the 1950s and 1960s; the military logic and political purpose of the weapons; the role of British, French and Soviet forces; and the arms control issues all these raise for the INF negotiations. The end result is not especially novel, given the vast literature extant, but the authors are knowledgeable and sophisticated, and the book weaves together this complex and intricate story extremely well.

FRANCE, THE SOVIET UNION AND THE NUCLEAR WEAPONS ISSUE. By Robbin F. Laird. Boulder (Colo.): Westview Press, 1985, 142 pp. $15.95 (paper).

The modernization and growth of France's nuclear forces are creating problems for the Soviet Union, and, the author contends, also for France in the context of the Atlantic alliance. In this short, timely book, Laird argues that the enhanced significance of French forces to the U.S.S.R., the expansion of Soviet nuclear forces in Europe, and the increased importance of West Germany to French security will make it impossible to continue limiting French nuclear interests to the defense of its national territory through a policy of "sanctuarization."

THIRD WORLD MILITARIZATION: A CHALLENGE TO THIRD WORLD DIPLOMACY. Edited by Jagat S. Mehta. Austin: University of Texas Press, 1985, 279 pp.

ARMEMENT—DÉVELOPPEMENT—DROITS DE L'HOMME—DISARMEMENT. Edited by Georges Fischer. Paris: Faculté de Droit/Brussels: Establissments Bruylant, 1985, 606 pp.

The impact upon Third World countries of their often excessive spending on arms purchases was the subject of two unrelated conferences held in Austin, Texas, and in Paris in recent years. The papers and discussions of the first have been drawn together by its imaginative organizer, Jagat S. Mehta, former foreign secretary of India. His statement that the principal fault lies with the demanding arms recipients rather than with the weapons suppliers comes as a whiff of fresh air in an often stale and stereotyped debate. Professor Fischer's book deals not only with the relationship of armament to development but also to human rights. Both books have nuggets which scholars and policymakers could usefully mine.

General: Economic and Social

William Diebold, Jr.

THE INTERNATIONAL MONETARY FUND, 1972–1978: COOPERATION ON TRIAL. By Margaret Garritsen de Vries. Washington: International Monetary Fund, 1985, 3 vols. $60.00.

The Fund continues its admirable practice of publishing a detailed history of its activities with only a decent lag after the events. These volumes—which bring the total number to eight—cover troubled years during which floating exchange rates became the norm, there was a new treatment of gold, schemes for reform bore little fruit but much paper, and the importance of the Fund's lending increased greatly, especially in response to payments upset by the oil price. Although the book has been scrutinized by many officials, it is basically the responsibility of Dr. de Vries, who maintains the high standards she set in earlier volumes. This valuable volume of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

documents includes staff memoranda and analyses as well as material already published.

ECONOMIC SANCTIONS RECONSIDERED: HISTORY AND CURRENT POLICY. By Gary Clyde Hufbauer and Jeffrey J. Schott. Washington: Institute for International Economics, 1985, 753 pp. $45.00.

Fewer than 100 pages give a complex, nuanced picture of the factors that make for the success and failure of economic sanctions and estimate their costs (often surprisingly little). The rest of this large book presents condensed statements of the 103 cases on which the authors have built their conclusions. A limited guide to policy (as the authors recognize), this study is a good antidote to the loose generalizations common to this subject.

THE NATURE AND LOGIC OF CAPITALISM. By Robert L. Heilbroner. New York: Norton, 1985, 225 pp. $15.95.

Rigorous thinking at a rather high level of generalization makes this a stimulating but sometimes frustrating book. Economics, psychology and history are extensively deployed and produce many provocative findings about accumulation, profits, wages, technology, structural change, and related matters. Property rights are stressed as being of the essence of capitalism, but the countervailing forces that have contributed to the current "crisis of intervention" are somewhat slighted. Prediction is abjured. Like others of Professor Heilbroner's works, this is a book of exceptional interest and considerable originality.

TRADE, TECHNOLOGY, AND SOVIET-AMERICAN RELATIONS. Edited by Bruce Parrott. Bloomington: Indiana University Press (with the Center for Strategic and International Studies), 1985, 394 pp. $35.00 (paper, $17.50).

This exceptionally timely volume draws heavily on the extensive work previously done by its contributors and other specialists. Case studies of computers, autos, energy, defense and agriculture are backed up by broader surveys, and an interesting comparison of Soviet and Japanese experience. Soviet ability to make good use of Western technology is shown to vary greatly among different fields. There are only rare cases in which Western export controls could be expected to have major effects but, as an essay on domestic politics reminds us, shrewd judgment has not been a salient characteristic of American policy in this matter.

HARD BARGAINING AHEAD: U.S. TRADE POLICY AND DEVELOPING COUNTRIES. Edited by Ernest H. Preeg. New Brunswick (N.J.): Transaction Books (for the Overseas Development Council), 1985, 214 pp. $12.95.

The diplomat-scholar who is both editor and contributor has made this a well-integrated volume which analyzes major trade problems and sets forth concrete, reasonable proposals for dealing with them in GATT negotiations as well as bilaterally.

STRUCTURAL CONFLICT: THE THIRD WORLD AGAINST GLOBAL LIBERALISM. By Stephen D. Krasner. Berkeley: University of California Press, 1985, 363 pp. $24.95 (paper, $8.95).

This is a study of "Third World efforts to secure control and wealth through the establishment of international regimes that legitimate author-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

itative, rather than market, allocation." In explaining and illustrating this process—which he says is based on weakness—Professor Krasner of Stanford inevitably covers much familiar ground, but with his own twist. He sees further tension and conflict ahead because he gives less credence than others have done to changes in Third World approaches or strengths.

FOOD TRADE AND FOREIGN POLICY: INDIA, THE SOVIET UNION, AND THE UNITED STATES. By Robert L. Paarlberg. Ithaca (N.Y.): Cornell University Press, 1985, 266 pp. $29.95 (Paper, $12.95).

Political and economic needs and pressures inside a country do more to shape its food policy than does concern for external trade or foreign policy. In arriving at this not very surprising conclusion, this book provides first-rate, well-informed histories of Indian, Soviet and American policies concerning wheat and coarse grains, and succinct studies of American efforts to influence the U.S.S.R. and India by controlling the export of grains.

INTERNATIONAL ECONOMIC POLICY COORDINATION. Edited by William H. Buiter and Richard C. Marston. New York: Cambridge University Press, 1985, 386 pp. $44.50.

The National Bureau of Economic Research in the United States and the Centre for Economic Policy Research in London brought together a number of highly qualified economists to consider a central problem of international economic relations. Their sophisticated and sometimes innovative analyses throw light on some points but fall woefully short of coping with the complexities of the real world. Most of these papers are for specialists but others can benefit from the editors' introduction, Barry Eichengreen's historical paper, Ralph Bryant's comments on uncertainty, and a closing discussion by economists who have also been officials.

WORLD RECOVERY WITHOUT INFLATION? Edited by Randall Hinshaw. Baltimore: Johns Hopkins University Press, 1985, 156 pp. $20.00.

The atmosphere of disenchantment with many past policy prescriptions which pervaded the conference reported in this volume led to a lively discussion among economists and bankers who felt—at least, some of them did—that "we have to start thinking again." They covered a wide range of issues and some of the observations made in May 1983 are out of date, but stimulation remains. The discussion of the international coordination of national economic policies and the alternatives is the main contribution.

AUTONOMY AND INTERDEPENDENCE: U.S.-WESTERN EUROPEAN MONETARY AND TRADE RELATIONS, 1958–1984. By Thomas L. Ilgen. Totowa (N.J.): Rowman & Allanheld, 1985, 166 pp. $34.95.

By trying for too long to sustain domestic autonomy in economic matters, the United States has weakened its ability to adjust to the interdependent world economy it has done so much to create. In making a good case for this argument, Professor Ilgen of Brandeis sometimes pushes his thesis too far and provides more diplomatic than economic analysis. But he has produced a good book with many suggestive points, and he connects his thesis to other interpretations of the large events he covers.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

REVOLUTION IN THE WORLD PETROLEUM MARKET. By Mary Ann Tétreault. Westport (Conn.): Quorum Books/Greenwoood Press, 1985, 171 pp. $45.00.

This is a good analytical history of the political and economic changes in the world's oil economy since the days when the Seven Sisters dominated. Conclusions about the future are left in suspense because too many issues are clouded, and people are following short-run instead of long-run guides in what they do.

THE POLITICAL ECONOMY OF GLOBAL ENERGY. By R.K. Pachauri. Baltimore: Johns Hopkins University Press, 1985, 191 pp. $25.00 (paper, $8.95).

The director of the Tata Energy Research Institute in New Delhi, after surveying a wide range of forecasts, stresses the long-run energy needs of developing countries, the possibilities of global scarcity, and the connection of these issues with the stability of the world economic system. He sees an important future for OPEC.

NONTARIFF BARRIERS TO HIGH-TECHNOLOGY TRADE. By Robert B. Cohen, Richard W. Ferguson and Michael F. Oppenheimer. Boulder (Colo.): Westview Press, 1985, 142 pp. $17.50 (paper).

Based largely on case studies and industry interviews, this first-rate book provides much concrete, realistic analysis of an important matter that is usually treated in loose generalities.

ONE WORLD ONE FUTURE: NEW INTERNATIONAL STRATEGIES FOR DEVELOPMENT. Edited by Ashok Bapna. New York: Praeger, 1985, 325 pp. $42.95.

Only a few new strategies are in fact to be found in this anthology, but there are some good ideas and interesting analyses along with much familiar material (especially in the contributions from the eminent and highly-placed).

INVESTING IN DEVELOPMENT: LESSONS OF WORLD BANK EXPERIENCE. By Warren C. Baum and Stokes M. Tolbert. New York: Oxford University Press (for the World Bank), 1985, 610 pp. $29.95 (paper, $10.95).

Directed primarily at officials in developing countries, this large volume draws on the World Bank's experience to tell them how to put together viable projects of the sort the Bank likes to finance. Nuts and bolts abound, but there is also much sensible and clear discussion of the broad issues that have to be taken into account.

The United States

Gaddis Smith

CYRUS VANCE. By David S. McLellan. Totowa (N.J.): Rowman & Allanheld, 1985, 194 pp. $22.95.

A sympathetic account of Cyrus Vance's three years as secretary of state under President Carter. The author argues that Vance's "unrelenting pursuit of Israeli concessions" was the basis for the successful outcome of Camp David. He faults Vance, however, for failing to anticipate the Soviet

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

invasion of Afghanistan. The account of the domestic forces arrayed against SALT II is especially good. This is volume 20 in the "American Secretaries of State and Their Diplomacy" series.

ORIGINS OF CONTAINMENT: A PSYCHOLOGICAL EXPLANATION. By Deborah Welch Larson. Princeton: Princeton University Press, 1985, 380 pp. $35.00.

This study is refutation of the idea that nothing remains to be said about the origins of the cold war. The author offers cogent criticisms of the limitations of revisionist and "confirmationist" interpretations and then subtly applies a range of theories about the way people think to the behavior of American leaders in the years 1945–1947. While stressing that there were many causes of the cold war—internal and external—she uses old sources in new ways and unearths fresh material. The analysis of the power of metaphor and analogy over perception and decision is outstanding.

KENNEDY IN VIETNAM: AMERICAN VIETNAM POLICY, 1960–1963. By William J. Rust and the Editors of U.S. News Books. New York: Scribner's, 1985, 252 pp. $15.95.

This is an important and readable contribution to the history of American involvement in Vietnam. The authors have uncovered some fascinating new fragments of evidence, especially about the American role in the downfall of Diem. The perennial question of whether, if Kennedy had lived, the U.S. would have descended further into the war, is posed; the authors admit it is impossible to answer definitely. But they incline toward a no.

DEAR AMERICA: LETTERS HOME FROM VIETNAM. Edited by Bernard Edelman for the New York Vietnam Veterans Memorial Commission. New York: Norton, 1985, 316 pp. $13.95.

A moving collection of letters written during the years of American combat in Vietnam by soldiers to friends, family, wives and lovers. The sentiments range from "I would rather fight to stop communism in South Vietnam than in . . . Kansas City" to poignant anti-war poetry.

THE ROOT: THE MARINES IN BEIRUT, AUGUST 1982-FEBRUARY 1984. By Eric Hammel. San Diego: Harcourt Brace Jovanovich, 1985, 480 pp. $19.95.

An account based almost entirely on interviews and presented through the eyes and in the words of the Marine Corps enlisted men and junior officers who served in Lebanon. The author shows that there was more fighting than the press or the U.S. government reported at the time. He finds no excuse for the decision to place the marines, with slight means of defense, in the fateful barracks at the Beirut airport where so many died. This is a book about danger and death on the dusty ground, not about high policy (if there was any).

FRANKLIN D. ROOSEVELT AND THE SEARCH FOR SECURITY: AMERICAN-SOVIET RELATIONS, 1933–1939. By Edward M. Bennett. Wilmington (Del.): Scholarly Resources, 1985, 213 pp. $30.00 (paper, $9.95).

This is a book in tribute to Roosevelt's perspicacity. Mr. Bennett's thesis, a bit strained at times, is that the President had a carefully reasoned and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sustained intention to form a close relationship with the Soviet Union as a deterrent to Japanese and German aggression. The intention was thwarted by the erratic Soviet response, British and French policy, and political and bureaucratic constraints in the United States.

SEEING AMERICAN FOREIGN POLICY WHOLE. By Brewster C. Denny. Champaign: University of Illinois Press, 1985, 200 pp. $19.95.

A useful, but bland, introduction for those with slight previous knowledge of the subject. The book surveys the constitutional, historical and institutional bases of foreign policy and enters a plea for sophisticated understanding by the general public and high competence for practitioners.

THE HUNDRED PERCENT CHALLENGE: BUILDING A NATIONAL INSTITUTE OF PEACE. Edited by Charles Duryea Smith. Cabin John (Md.): Seven Locks Press, 1985, 272 pp. $26.95 (paper, $9.95).

The idea of establishing a National Peace Academy has had dedicated and zealous supporters for decades. The creation by Congress of the United States Institute of Peace in 1984 brought this idea to partial fruition, although not exactly to the overwhelming attention of the public. The present volume celebrates the passage of the legislation, suggests programs for the institute to undertake, and brings together essays on the "just war" tradition, peacekeeping as a military mission, and the connections between social justice and migration.

THE REAGAN DETOUR. By Richard Reeves. New York: Simon & Schuster, 1985, 141 pp. $14.95.

The gist of this essay is that the vast majority of the American people believe that the federal government should play a large role in providing for the welfare of the people. This belief has shaped and will continue to shape American policy far more than the antigovernment rhetoric of President Reagan and his ideological supporters. The basic message is: "Take heart, liberals, all is not lost."

The Western Hemisphere

Robert D. Crassweller

CANADA AND THE CONFERENCE ON SECURITY AND CO-OPERATION IN EUROPE. Edited by Robert Spencer. Toronto: Centre for International Studies, University of Toronto, 1985, 440 pp.

This hefty collection of essays is a major contribution to the overall history of the CSCE—origins, Helsinki accords, and follow-on meetings at Belgrade and Madrid—as well as an illumination of Canada's efforts to lessen "dependence on the United States by countervailing ties with third countries, mainly in Western Europe." G.S.

THE MAKING OF A PEACEMONGER: MEMOIRS. By George Ignatieff. Toronto: University of Toronto Press, 1985, 265 pp. $19.95.

The author, born into an aristocratic and public-spirited Russian family in 1913, was a Canadian diplomat from 1939 to 1971. His career dealt mainly with the U.N., NATO and European affairs. His memoirs, in the tradition of fine Canadian writing about diplomacy, are good humored, succinct and informative. G.S.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ONE EARTH, FOUR OR FIVE WORLDS. By Octavio Paz. San Diego: Harcourt Brace Jovanovich, 1985, 224 pp. $14.95.

A small volume, of great worth: essays devoted to the international condition and to various national scenes, including the United States (the "Imperial Democracy"), Russia ("cynicism, venality, and hypocrisy"), Iran, Mexico and others, all written with deep learning, somber moral grandeur, and a multitude of subtle and challenging insights. Believing that the time is ripe, Paz advocates for Latin America a renaissance, a continental democratic alliance or policy that would discover within Latin American traditions the seeds and roots of a genuine democracy.

UNDERDEVELOPMENT IS A STATE OF MIND: THE LATIN AMERICAN CASE. By Lawrence E. Harrison. Cambridge: The Center for International Affairs, Harvard University/Washington: University Press of America, 1985, 210 pp. $17.95.

A veteran USAID official examines in depth the historical performance of several Latin American countries and Australia, seeking to isolate the sources of successful development. He concludes that the principal determinant is culture, defined for this purpose as values and attitudes. In each of the successful countries "the world view of the society has expressed itself in ways that have affected the society's cohesion, its proneness to justice and progress, and the extent to which it taps human creative potential." A significant book, deserving close scrutiny.

CUBA'S INTERNATIONAL RELATIONS: THE ANATOMY OF A NATIONALISTIC FOREIGN POLICY. By H. Michael Erisman. Boulder (Colo.): Westview Press, 1985, 203 pp. $34.00 (paper, $13.95).

The main factors determining Cuban policy since 1959—the quest for military and economic security, ideology, aspirations for Third World leadership, a sense of mission, and nationalism—are analyzed within a framework of six time-periods, leading up to the "contemporary globalism" now current. The prognosis: mere tactical shifts in the present goals and strategies rather than major changes, and concentration on the western hemisphere and relations with the United States.

TOWARDS AN ALTERNATIVE FOR CENTRAL AMERICA AND THE CARIBBEAN. Edited by George Irvin and Xabier Gorostiaga. Winchester (Mass.): Allen & Unwin, 1985, 273 pp. $27.50 (paper, $12.50).

The essays here are revised versions of papers presented at a policy workshop sponsored by the Institute for Social Studies in The Hague. They cover the Central America-Caribbean geopolitical crisis, regional economic structures, and aspects of political change. The central theme is the need for alternative policies at the regional level, adequate to withstand the forces of fragmentation and external pressure.

SO FAR FROM GOD: A JOURNEY TO CENTRAL AMERICA. By Patrick Marnham. New York: Viking, 1985, 253 pp. $17.95.

A British barrister, journalist and writer with a keenly perceptive eye describes his journey through California, Mexico and the four northernmost Central American countries. Irreverent or reverent, with or without irony, the author never strays from the grime and sweat and grit of life as the masses live it, thus infusing his colorful and absorbing account with a vivid sense of reality.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE AMERICAN CONNECTION. By Michael McClintock. VOL. I: STATE TERROR AND POPULAR RESISTANCE IN EL SALVADOR. VOL. II: STATE TERROR AND POPULAR RESISTANCE IN GUATEMALA. London: Zed Press, 1985, 2 vols. (Totowa, N.J.: Biblio, distributor, $39.95; paper, $12.25.)

Drawing in part on official U.S. documentation, these two studies criticize American policy in El Salvador and Guatemala from a generally leftist perspective. They trace the national histories and outline traditional U.S. support for previous regimes, crediting local factors as partial sources of the present difficulty, but insisting that the latter "must be largely attributable to the United States doctrine of counterinsurgency and its programmes of security assistance since 1960. . . ."

Western Europe

Fritz Stern

A GRAND STRATEGY FOR THE WEST. By Helmut Schmidt. New Haven: Yale University Press, 1985, 120 pp. $12.95.

Helmut Schmidt—still Europe's most authoritative voice—analyzes the dangers facing this drifting world, with warnings about an abdicating Europe and an inadequately informed, economically self-regarding America. He diagnoses European and American interests, and presents realistic prescriptions for common needs. He sees our problems and our countries in their complex interrelatedness and suggests new policies with enviable clarity, most especially in the military-strategic and the economic realms. A required text, eloquent, wise and urgent, for policymakers and concerned citizens alike.

DIE LAST DER NATION. By Andreas Hillgruber. Düsseldorf: Droste, 1984, 119 pp. DM 24.

Five essays by a well-known German historian, variations on "the German question" which includes the question of whether the German nation can or should ever become a national state again. The best—and most timely—essay deals with the break in 1950 of Gustav Heinemann (a leading Protestant and later president of the Federal Republic) with Konrad Adenauer over the latter's wish to rearm Germany while denying that this would seal the division of Germany. This question has found new resonance among Germans who have come to ponder their future—and hence their past.

GOERING, THE "IRON MAN." By R. J. Overy. Boston: Routledge & Kegan Paul, 1984, 310 pp. $25.00.

A British scholar concentrates on Goering's role in the Nazi regime, his early successes and great later failures. Overy has done some archival research and he is rightly restrained about the sensational aspects of this wretched rise. He is knowledgeable about Goering's *Luftwaffe* and air war in general, but sketchy on the history of the regime. An uneven, readable book.

ON WRITING AND POLITICS, 1967–1983. By Günter Grass. San Diego: Harcourt Brace Jovanovich, 1985, 176 pp. $13.95.

Grass's commitment to political activism has its roots in his childhood under Nazism, in his knowledge that he was spared participating in evil not

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

by virtue but by the accident of his young age. A moralist in politics, he reflects in his essays, *inter alia*, his growing disillusionment with America, indeed his anger at it. A book that is moving in the retrospective parts, disturbing and symptomatic in its simplicities about the present.

REISEN NACH INNEN UND AUSSEN. By Ralf Dahrendorf. Stuttgart: Deutsche Verlags-Anstalt, 1985, 287 pp. DM 32.

Twenty essays on major themes of our time, written by a foremost German thinker and doer, an observer of the world. He analyzes political and social realities (his essay on the new underclass is a masterpiece) in a moral-philosophical fashion and formulates his thoughts and impressions in a style all his own, often a novelist's evocation of different societies and of the self in relentless quest of comprehension.

THE DECLINE OF POWER, 1915–1964. By Robert Blake. New York: Oxford University Press, 1985, 400 pp. $19.95.

One of England's leading historians—the biographer of Disraeli—writes a personal, splendidly evocative history of Britain from the horrors of the Great War to the end of empire in the aftermath of the Second World War. The focus is on the drama of political-military history, but he also cites a line from John Osborne's 1956 play *Look Back in Anger*: "Don't clap too hard, we're all in a very old building." A book, combining narrative and analysis, which should appeal to a wide general public.

THE RISE AND FALL OF THE GREEK COLONELS. By C. M. Woodhouse. New York: Franklin Watts, 1985, 192 pp. $16.95.

Ever since he commanded the British military mission in wartime Greece, Woodhouse has been concerned with Greek politics. His earlier books exemplified his grasp of Greek murkiness, made perhaps surer by his own experience in British politics as a Tory MP. He has written a brilliant study of the brutal and ruinous regime of the colonels, of the support and resistance it encountered at home and abroad. America's role, largely in favor of the colonels, is carefully scrutinized in the context of Middle East politics generally. An important book, with implications for twentieth-century politics.

THE JEWS IN MODERN FRANCE. Edited by Frances Malino and Bernard Wasserstein. Hanover (N.H.): University Press of New England, 1985, 354 pp. $30.00.

An exceptionally fine symposium in which distinguished scholars argue divergent views on the history of the Jewish presence in France. Scholarly, informative, and above all, controversial on such issues as whether anti-Semitism was central or peripheral in French life, on the relations of the French left to Jews, and on French behavior under Vichy.

THE VIEW FROM INSIDE: A FRENCH COMMUNIST CELL IN CRISIS. By Jane Jenson and George Ross. Berkeley: University of California Press, 1985, 346 pp. $28.50.

Two social scientists follow the activities of one particular cell in a Paris section of the French Communist Party. Serious discussion at the "base" but revived orthodoxies at the top; "democratic centralism" imposed the scuttling of Eurocommunism in the late 1970s, thus hastening the time when the party will become "a declining museum piece of French labor

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

history. . . ." An important book because of the subject and empathetic method.

NATO'S ANXIOUS BIRTH: THE PROPHETIC VISION OF THE 1940s. By André de Staercke and others. Edited by Nicholas Sherwen. New York: St. Martin's, 1985, 192 pp. $25.00.

A collection of essays on the politics and attitudes of each of the original member states of NATO.

A CHANGE OF COURSE: THE WEST GERMAN SOCIAL DEMOCRATS AND NATO, 1957–1961. By Stephen J. Artner. Westport (Conn.): Greenwood Press, 1985, 242 pp. $35.00.

A study of how a divided party, with a legacy of socialist suspicion of the military, came to adopt a pro-NATO stance.

DIPLOMACY AND INTELLIGENCE DURING THE SECOND WORLD WAR: ESSAYS IN HONOUR OF F. H. HINSLEY. Edited by Richard Langhorne. New York: Cambridge University Press, 1985, 329 pp. $39.50.

A collection of scholarly essays worthy of its recipient, a distinguished historian of British intelligence and himself a youth at Bletchley Park, described by Christopher Andrew as "providing probably the most valuable intelligence in the history of warfare." New interpretations and often new sources on such critical topics as Churchill's determination to carry on the war in May-June 1940, on Roosevelt's announcement of the policy of unconditional surrender, on the British and Tito. Some of these essays should open up new and useful controversies.

The Soviet Union and Eastern Europe

John C. Campbell

SHARED DESTINY: FIFTY YEARS OF SOVIET-AMERICAN RELATIONS. Edited by Mark Garrison and Abbott Gleason. Boston: Beacon Press, 1985, 167 pp. $16.95.

The 50th anniversary of the establishment of diplomatic relations between the United States and the Soviet Union provided the occasion for reflections on the lessons of that half-century by a number of distinguished experts including George Kennan, John Lewis Gaddis, Adam Ulam and Alexander Dallin. They delve into the past, each in his own way, to illuminate the historical record and also to bring out the misperceptions, ideological blinders, cultural gaps and lost opportunities, to say nothing of conflicting national interests, that have created such a gulf between the two nations. It is a book to be read and pondered, by Russians (if any of them ever see it) as well as by Americans.

SOVIETICUS: AMERICAN PERCEPTIONS AND SOVIET REALITIES. By Stephen F. Cohen. New York: Norton, 1985, 160 pp. $12.95.

The author calls this book for the general reader "an experiment in scholarly journalism." It comprises articles that he wrote for *The Nation* in 1982–84. In general he finds the American perceptions superficial and the Soviet realities real, and illustrates both propositions to make his case for détente.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE IMPACT OF WORLD WAR II ON THE SOVIET UNION. Edited by Susan J. Linz. Totowa (N.J.): Rowman & Allanheld, 1985, 300 pp. $28.50.

Western research on the U.S.S.R. is perhaps weakest for the period of World War II and its immediate aftermath. This collaborative and well-edited volume takes us back and fills in some of the gaps in a variety of fields. The endeavor is overambitious in trying to cover so many aspects, but it contains much solid information, especially in the chapters on economics and demography, in a piece on Soviet policy toward Germany (by Robert Slusser), and in the studies of wartime administration and postwar society. At the center of it all is Stalin, although there is no attempt here at an overall assessment of his wartime role.

THE SOVIET UNION: WHAT LIES AHEAD?—MILITARY-POLITICAL AFFAIRS IN THE 1980s. Edited by Major Kenneth M. Currie and Major Gregory Varhall. Washington: U.S. Air Force, 1985, 800 pp. (Washington: Government Printing Office, distributor, $18.00).

Everything about this enterprise is on a grand scale. It began with a conference sponsored by the U.S. Air Force with nearly a thousand participants, 96 of whom presented papers, half of which are printed here in one massive volume. The subject is Soviet military power in all its aspects: capabilities, strategy, organization, economy, political relations, and the U.S.S.R. as a global power. One can dip in here and there and find both good background information, good argument and many citations. With so many authors the book follows no single line, but the predominant theme is: know your enemy, recognize his strengths and his intentions, and avoid policies based on wishful thinking.

TECHNOCRATIC SOCIALISM: THE SOVIET UNION IN THE ADVANCED INDUSTRIAL ERA. By Erik P. Hoffmann and Robbin F. Laird. Durham (N.C.): Duke University Press, 1985, 228 pp. $37.50 (paper, $12.50).

The "scientific and technological revolution" has occupied a prominent place in Soviet political writing and also, apparently, in the thoughts of the Soviet leadership on the future of the system and of the country. Hoffmann and Laird, with commendable industry and intelligence, have gone through the vast literature on the subject, most of it from the Brezhnev period, to see what new theories are evolving and how they may influence policies and institutions. There is considerable ingenuity and variety in that literature, reflecting uncertainties as well as the pressures for adaptation to a changing environment and for competing with the West. However, while concepts such as "developed socialism" and scientific management of society, putting science and technology to work for the success of socialism and eventual communism, may represent goals and serve political purposes, they do not tell us much about what is actually happening, or can be made to happen, in a system where established methods of planning, management and control are so resistant to change. The book is rather heavy going, but the importance of the subject justifies the reader's time and attention.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE FUTURE OF THE SOVIET ECONOMIC PLANNING SYSTEM. By David D. Dyker. Armonk (N.Y.): Sharpe, 1985, 172 pp. $25.00.

A closely reasoned survey and assessment, with historical perspective going back to Stalin's first Five Year Plan, of the Soviet planning system, and a critique of the centralized command economy. Dyker is an economist writing for economists, but he takes full account of the political factors which contributed to the failure of the Kosygin reforms in the 1960s and which make unlikely the drastic changes that may be necessary if the economy is to grow and prosper. He has some interesting things to say on whether and how the Hungarian, Bulgarian and East German models might be followed by Moscow.

THE SOVIET UNION AND CUBA: INTERESTS AND INFLUENCE. By W. Raymond Duncan. New York: Praeger, 1985, 220 pp. $12.95.

Is Cuba a pawn or an independent actor pursuing its own interests even when they do not coincide with Soviet interests? The merit of Raymond Duncan's book lies in his careful review of the 25 years of that relationship in terms of benefits, costs and strains, a picture that is not in monocolor. He finds Cuba's status to be that of a preferred client with a very strong interest in cooperation and in policies that serve Soviet as well as Cuban aims. But Castro, despite nearly total economic dependence on Moscow, makes his own decisions and is likely to continue to do so.

SOVIET/EAST EUROPEAN SURVEY, 1983–84: SELECTED RESEARCH AND ANALYSIS FROM RADIO FREE EUROPE/RADIO LIBERTY. Edited by Vojtech Mastny. Durham (N.C.): Duke University Press, 1985, 436 pp. $45.00 (paper, $14.75).

One of the lesser-known activities of Radio Free Europe and Radio Liberty is a research program which produces reports of high quality on contemporary developments which are of great benefit to broadcasters, officials, professors and students. In what is billed as the first of a series of annual volumes, this one covering the year up to mid-1984, 65 of these reports, selected and introduced by Professor Mastny, are now made available to a wider readership.

ÉLET EGY ESZME ÁRNYÉKÁBAN. By András Hegedüs. Vienna: Zoltán Zsille, 1985, 376 pp.

In a series of candid interviews taped in Vienna for broadcast to Hungary by Radio Free Europe, the former Stalinist prime minister (1955–1956) relates his uncommon political experiences. One gem: he signed the official document requesting Soviet help during the 1956 Hungarian revolt three days after being ousted as the country's prime minister. Hegedüs has since grown to become an intellectual guru with Eurocommunist leanings, still living in Budapest and barely tolerated by the Kádár regime. Here, in this unique book of recollections and observations, he offers new material on recent Hungarian politics and Soviet-East European relations; but the main attraction is his seemingly unretouched portrayal of the intricacies and evolution of a communist political mind. Charles Gati

POLAND 1981: TOWARD SOCIAL RENEWAL. By Peter Raina. Winchester (Mass.): Allen & Unwin, 1985, 472 pp. $37.50.

Poland's interval of semi-freedom from August 1980 to December 1981 has been described by many authors from many angles, and it retains its

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

importance for the future as well as for understanding the past. Peter Raina has a particular purpose here: to give a complete account of the conflict and the dialogue between Solidarity and the party, between the society and the state, as they tried to find an agreed basis for reform. The book owes much of its usefulness, as well as much of its bulk, to the inclusion of full texts of all the relevant agreements and statements. But it is more than a collection of documents. Raina's commentary is as critical of Solidarity for reckless overreaching as it is of the regime for clinging to a discredited system.

A VILLAGE WITHOUT SOLIDARITY: POLISH PEASANTS IN YEARS OF CRISIS. By C.M. Hann. New Haven: Yale University Press, 1985, 208 pp. $15.95.

A sociological study of one Polish village and how it has fared since being resettled by Poles in the population shifts following World War II. Based on intensive field work completed in 1981, it stresses the essential continuity and passivity of peasant life amid the drastic political and economic changes in the country as a whole. The government's policies of socialization never took hold, and neither did the radical populism of Rural Solidarity in 1980–81; the church remained the focus of village life. Conclusions based on observation of this single village, a small one in the lee of the Carpathians, are of course not necessarily valid for others.

The Middle East

John C. Campell

THE OTHER WALLS: THE POLITICS OF THE ARAB-ISRAELI PEACE PROCESS. By Harold H. Saunders. Washington: American Enterprise Institute, 1985, 177 pp. $17.95 (paper, $9.95).

Because Harold Saunders was closely involved in making and carrying out U.S. policy in the Middle East in four administrations, from Johnson's through Carter's, what he writes on the Arab-Israeli peace process deserves a careful reading. He does not attempt to recount the history of the wars and negotiations of that period or to review and correct the accounts written by others. His purpose is to explore and expose the nature of the problem in its human and political dimensions, to show why peacemaking has been so difficult and how it might be approached with greater understanding and success in the future. The primary requirement, he contends, is not clever formulas or outside pressures but the creation of a political environment which makes serious negotiation and reconciliation possible. He looks at Israel, the Palestinians, Jordan, Egypt, Syria and the two superpowers from this angle, seeing the problems in all their complexity and intractability but not losing his faith in the possibility and the necessity of moving toward peace. The book itself, if widely read, could contribute to that end.

MAN OF DEFIANCE: A POLITICAL BIOGRAPHY OF ANWAR SADAT. By Raphael Israeli. Totowa (N.J.): Barnes & Noble, 1985, 314 pp. $23.95.

Anwar Sadat, a man of spectacular achievements and failures, idolized by many but a champion at making enemies, a patriot and martyr scarcely

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mourned in his own country, is a fascinating subject for biographers. This portrait by an Israeli scholar is inquiring, candid and fair. On the early years he has some interesting items gleaned from Sadat's relatives and friends. As for the period of political activity, he lets Sadat's speeches, writings and published interviews tell most of the story, and so for the decade of the 1970s the book becomes a retelling of the course of Egypt's domestic policies and international diplomacy as seen from the top. The author does try, however, with some license but plausibly, to probe Sadat's motives and to explain the psychological factors bearing on his conduct and decisions. All in all, he succeeds in his modest aim of illuminating some aspects of a complex personality.

LEBANON: THE POLITICS OF REVOLVING DOORS. By Wadi D. Haddad. New York: Praeger/Washington: Center for Strategic and International Studies, 1985, 154 pp. $8.95 (paper).

Among the recent books on Lebanon this one is especially notable for the balance and clarity of its brief description of the decade of conflict which began in 1975, and also for the authority with which the author, an adviser to President Amin Gemayel in 1982–1984, recounts the negotiations, decisions and disasters of that period. Remarkably, even that chastening experience has not extinguished his basic optimism about the country's future.

LEBANON: DYNAMICS OF CONFLICT. By B. J. Odeh. London: Zed Press, 1985, 233 pp. (Totowa, N.J.: Biblio, distributor, $26.25; paper, $10.25).

One can find here a vast amount of information on the tangled maneuvers, plots, armed clashes and interventions that have marked the politics of Lebanon, especially in the past decade. But the facts do not stand by themselves; they are interpreted by an author who is a Palestinian and a Marxist. Thus, we read a great deal about the comprador bourgeoisie, the capitalist imperialists and the Zionists, and about the progressive forces and working masses of Lebanon who, together with the Palestinian resistance, are struggling heroically against them. The economic and social interpretation is in some respects a useful corrective to accounts which make of the Lebanese conflict a purely religious struggle, but only a true believer will swallow this whole.

GALILEE DIVIDED: THE ISRAEL-LEBANON FRONTIER, 1916–1984. By Frederick C. Hof. Boulder (Colo.): Westview Press, 1985, 134 pp. $15.00 (paper).

A well-tailored monograph on the problems on and around the southern boundary of Lebanon from the time it was first established by the French and British after World War I. In time the author turns to the Zionist thirst for the waters of the Litani River, the impotence and neglect of the southern region and its Shia inhabitants on the part of all Lebanese governments, the coming of the PLO, Israel's policies and actions on grounds of security, and finally the war of 1982 and the unsettled issues left in its wake. One sound conclusion: insecurity and violence will continue on this frontier as long as there is no Lebanese government capable of maintaining order in southern Lebanon and as long as the larger regional conflicts persist.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SAUDI ARABIA: THE CEASELESS QUEST FOR SECURITY. By Nadav Safran. Cambridge: Belknap/Harvard University Press, 1985, 524 pp. $25.00.

A Harvard scholar, with an impressive research effort, traces Saudi Arabia's foreign relations and security policies from the founding of the modern kingdom by Ibn Saud to the accession of the present king. Some who take a more optimistic view of Saudi Arabia's position and the future of U.S.-Saudi relations may quarrel with Safran's bearish conclusions, but his theme of the Saudi rulers' obsession with the need for security and for Arab consensus—theirs being a fabulously rich country with very limited military power and many actual and potential enemies—is not likely to be disproved. The book also has many merits as a reference and for university use.

THE UNITED STATES AND SAUDI ARABIA: AMBIVALENT ALLIES. By David E. Long. Boulder (Colo.): Westview Press, 1985, 161 pp. $25.00.

David Long calls on his long experience with Arab affairs as scholar and U.S. official to provide a fact-filled survey of U.S.-Saudi relations from early contacts before World War II to the present. Methodically, and with a minimum of comment, he covers the oil factor, commerce and finance, military relations and the political side. He puts more weight on the solidity and continuity of interests which underpin the relationship than on the sources of disagreement and antagonism, but he also calls attention to the ambivalence on both sides which places real constraints on the degree of cooperation possible.

THE MANTLE OF THE PROPHET: RELIGION AND POLITICS IN IRAN. By Roy Mottahedeh. New York: Simon & Schuster, 1985, 416 pp. $17.95.

By telling the story of the life and thought of one individual, a mullah, and weaving into it patches of history and of the thought of influential figures of the past from Avicenna to Mossadegh and Ali Shariati, Professor Mottahedeh makes possible a deeper understanding of the Khomeini revolution and of the intertwining of religion and politics in Iran than any of the current crop of political science treatises can provide. The contemporary characters are semi-fictitious composites, but their views and experiences are those of real people whom the author knew. That fact, plus the grace of the writing, make this book wonderfully convincing.

THE ARAB GULF AND THE WEST. Edited by B. R. Pridham. New York: St. Martin's, 1985, 251 pp. $29.95.

Brief, thoughtful, readable papers from a conference held at the University of Exeter in 1984. They look at the relations of the West with the Gulf countries (Saudi Arabia and the smaller Gulf states, for the most part leaving aside Iraq and Iran) from various angles. In some of the most interesting essays European, American and Arab authors discuss differing European and American approaches to the Gulf and its problems.

SACRED RAGE. By Robin Wright. New York: Linden Press/Simon & Schuster, 1985, 301 pp. $16.95.

A talented journalist covers the wave of terrorism in the Middle East since the victory of Khomeini's revolution in Iran. Most of the book is

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

brilliant reporting on the bombings, hijackings and other horrors that have filled the headlines. While it does not probe as deeply for historical, cultural and psychological causes as some recent scholarly works have done, it is an excellent work for the general reader. The author recognizes that terrorism often masks more basic conflicts and that the answer to it lies less in counterforce than in getting at the essence of those conflicts.

POLITICAL AND ECONOMIC TRENDS IN THE MIDDLE EAST: IMPLICATIONS FOR U.S. POLICY. Edited by Shireen Hunter. Boulder (Colo.): Westview Press (with the Center for Strategic & International Studies), 1985, 106 pp. $16.00 (paper).

A series of brief essays written for a conference held at Georgetown University in March 1985 with the idea of showing how recent developments have changed the contours of familiar Middle East problems. The two main areas of inquiry are (1) the effect of changes in the world oil market on the oil-producing states of the Gulf, and (2) the prospects for settlement of the Arab-Israeli conflict. In the second area the authors are from Israel, Jordan, Syria, Egypt and the United States. The contours may have changed, but basic attitudes have not.

Asia and the Pacific

Donald S. Zagoria

NATIONAL SECURITY INTERESTS IN THE PACIFIC BASIN. Edited by Claude A. Buss. Stanford: Hoover Press, 1985, 350 pp. $27.95.

In an otherwise rather routine set of conference papers, Ralph Clough does an excellent job of putting China's relations with the Soviet Union in perspective. In Clough's opinion, Deng and his associates continue to view the Soviet Union as the primary threat to China's security, but they have altered their views on the immediacy of the Soviet threat and the appropriate tactics for dealing with it. Some easing of tension between Moscow and Beijing will probably occur but the Soviets are unlikely to make the concessions needed to draw Beijing closer to Moscow than it is to Washington; Americans need not become nervous every time the Chinese and Soviets sit down together to work out differences. In another good insight into Chinese strategic thinking, Jonathan Pollak points out that, according to Chinese strategists, both superpowers will appear much less "super" in the future and will need to solicit others rather than dominate them. Thus the "intermediate forces" within the international system—China, Japan and Western Europe—will begin to assume a larger political and strategic role in a multipolar international system.

CHINA'S SOUTHWESTERN STRATEGY: ENCIRCLEMENT AND COUNTERENCIRCLEMENT. By Yaacov Y.I. Vertzberger. New York: Praeger, 1985, 239 pp. $36.95.

In a very provocative analysis, the author places China's attitude toward South Asia in the context of its global strategy. China sees Moscow's "southern strategy" as one designed to complete the encirclement of China from the south. China's "counterencirclement" strategy hinges on Pakistan, Afghanistan and the Indian Ocean, in that order. The three sections of the book are divided accordingly. The concluding section offers suggestions

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

for Sino-American strategic cooperation in that region, including the establishment of a joint coordinating committee among the U.S., China and Pakistan that would plan for different military contingencies involving Soviet threats to security in the region. But given China's professed policy of "independence" from both superpowers, would she be likely to enter into such an arrangement?

THE SINO-JAPANESE AXIS: A NEW FORCE IN ASIA? By Robert Taylor. New York: St. Martin's, 1985, 132 pp. $27.50.

According to the author, the "Sino-Japanese axis" constitutes a new force in Asia and the world at large. "On the one side, there is Japan, loaded with high technology but virtually devoid of raw materials; on the other, China, with an abundance of natural resources but short on technology. The circumstances too are propitious for such a union, given their possession of a common cultural heritage and Japan's immediate experience as one of the few successful modernizers in the non-Western world. . . ." While all this is true, it falls far short of an "axis." Neither Japan nor China, nor the two together, have sufficient military power to balance that of the Soviet Union without American support. Moreover, the legacy of the past, China's huge trade deficit with Japan, and many other factors will set limits on this relationship, important as it is.

JAPAN AND KOREA: THE POLITICAL DIMENSION. By Chong-Sik Lee. Stanford: Hoover Press, 1985, 247 pp. $24.95.

This is the most thorough and thoughtful study of Japanese relations with South Korea yet to appear. Lee points out the paradoxical nature of the relationship: the countries are close both geographically and culturally; they are major trading partners; and cooperation between the two is increasingly important as the U.S. is pressuring both to assume more responsibility for their own defense. At the same time, the Japanese consistently list Korea among their least liked countries and Koreans similarly place Japan at the bottom of their list. Under such circumstances, says Lee, building an affinity between the two countries will require Herculean efforts.

VENGEANCE: INDIA AFTER THE ASSASSINATION OF INDIRA GANDHI. By Pranay Gupte. New York: Norton, 1985, 368 pp. $16.95.

The author, a foreign correspondent for *The New York Times*, has written an informed and readable survey of the opportunities and challenges facing Rajiv Gandhi. He believes that India has the best chance of all the large developing countries of overcoming the poverty of its masses because of rising levels of education, the solid underpinnings of cultural richness, India's self-sufficiency in food, and the infrastructure for wider economic growth now in place. In an interesting foreword, James W. Michaels, editor of *Forbes*, indicates why he thinks Rajiv will be unable to break India's close trade, military and international political association with the Soviet Union. At the same time, he points out that India's survival as a democracy is more important to world freedom than is India's support for U.S. policies in the United Nations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ASIAN POWER AND POLITICS: THE CULTURAL DIMENSIONS OF AUTHORITY. By Lucian W. Pye. Cambridge: Harvard University Press, 1985, 414 pp. $25.00.

This is a rich and stimulating analysis which will be the subject of much scholarly debate. One of its main theses is that paternalistic concepts of power differentiate Asian approaches to modernization from those of the West. Whereas Westerners associate progress with greater scope for individual autonomy, Asians are more inclined to believe that happiness comes from suppressing self-interest in favor of group solidarity. This stress on group loyalty encourages a leadership style which often strikes Westerners as highly authoritarian. But, Pye argues, it is a valid response to people's needs and will help ensure community solidarity. He predicts that some new version of modern society will emerge from Asia's accelerating transformation and that it is likely to be "a form of democracy which is blended with much that Westerners might regard as authoritarian."

AFGHAN ALTERNATIVES: ISSUES, OPTIONS, AND POLICIES. Edited by Ralph H. Magnus. New Brunswick (N.J.): Transaction Books, 1985, 221 pp. $29.95.

This is a very useful collection of papers and discussion on Afghanistan. Jiri Valenta suggests that the Soviets have three options: continuation of the present limited, protracted commitment hoping for a long-term military solution; a large-scale military escalation; or a "Finlandization" style of negotiated withdrawal with security guarantees but without the continuation of a Leninist regime in Kabul. He favors a two-track Western policy of increased military aid to the resistance coupled with serious diplomatic overtures to the Soviets to try to bring about a "Finlandized" Afghanistan, the best outcome the West can hope for under present circumstances. In another good essay, Noor Husain, director of Pakistan's Institute for Strategic Studies, observes that Pakistan confronts a "megacrisis." It is situated at the geopolitical crossroads of central, south and west Asia, in close proximity to three nuclear powers and next to the highly inflammable Persian Gulf. On its western borders there have been conflicts involving the Soviet Union, Afghanistan, Iran, Iraq, Syria, Lebanon, Israel, the PLO and the peacekeeping forces of the West. He sees South Asia as the key to control of the Gulf.

Africa

Jennifer Seymour Whitaker

MOVE YOUR SHADOW: SOUTH AFRICA, BLACK AND WHITE. By Joseph Lelyveld. New York: Times Books, 1985, 339 pp. $18.95.

The former *New York Times* South Africa correspondent eschews the political and social analysis which illuminated South Africa's dilemmas for *Times* readers during the early 1980s and instead conveys the essence of apartheid through its effects on people. A series of delicately limned portraits of whites and blacks shows the self-deception, circumlocution and blunted moral sense needed to maintain the system; the stoicism and irony required to endure it with dignity; and the leap of faith involved in defying its real, raw power. Lelyveld's story ends before the uprisings of the past year revealed that something has apparently snapped within that system,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

but whatever may be changing, he has shown us clearly the spiritual base from which it emanates.

UP AGAINST THE FENCES: POVERTY, PASSES AND PRIVILEGE IN SOUTH AFRICA. Edited by Hermann Giliomee and Lawrence Schlemmer. New York: St. Martin's, 1985, 365 pp. $29.95.

This impressive collection minutely scrutinizes an area very seldom systematically surveyed—the relation between blacks' welfare in the urban and homelands areas. Amassing overwhelming evidence for a proposition few South Africa-watchers would dispute—that the homelands are not viable economic entities—the authors also demonstrate that the influx laws do not control the flow of blacks to South Africa's cities, and that despite growing class differences virtually no blacks support maintaining insider/outsider distinctions through influx control. The editors advocate phasing out controls and see increased scope for shack development as a flexible way to expand urban options for blacks.

A CITY DIVIDED: JOHANNESBURG AND SOWETO. By Nigel Mandy. New York: St. Martin's, 1985, 447 pp. $35.00.

A South African urban planner tries doggedly here to square the circle, prescribing for a "nationalized" municipal government for Johannesburg and Soweto within one system—but also within separate development. Along the way, he lays out a mass of useful facts and figures about the way things do run now and the regulations that ensure that order. While citing data on black opposition to the current township government, however, his sociology stops at the water's edge of apartheid and the well-nigh universal opposition of urban blacks to cooperation with the white-controlled system.

THE POLITICAL MYTHOLOGY OF APARTHEID. By Leonard Thompson. New Haven: Yale University Press, 1985, 293 pp. $22.50.

An eminent historian of southern Africa examines the myths that have fused the Afrikaners' *Volk* and justified their costly and peculiar elaboration of dominance over blacks. He shows how the mythology has evolved—from indignant resistance to British imperialism to a God-sent superiority over blacks to a complicated dogma about separate development. Now solid convictions about Afrikanerdom are breaking down, but racial myths endure tenaciously.

SOUTH AFRICA IN NAMIBIA: THE BOTHA STRATEGY. By Robert S. Jaster. Washington: University Press of America/Cambridge: Center for International Affairs, Harvard University, 1985, 114 pp. $19.75 (paper, $7.75).

Apparently completed about a year ago, this account of the Namibia conflict seems a bit dated; that is, the questions it asks and answers no longer have the same importance they had a year or so back. Excellent as a history, and still accurate in its assessment of South Africa's often ambivalent aims and strategy on Namibia, the study anatomizes a situation no one seems likely to heed while South Africa continues to destabilize its neighbors and apartheid itself remains under siege.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

COLD WAR AND BLACK LIBERATION: THE UNITED STATES AND WHITE RULE IN AFRICA, 1948–1968. By Thomas J. Noer. Columbia (Mo.): University of Missouri Press, 1985, 274 pp.

This fascinating diplomatic history embroiders the theme: "plus ça change. . . ." From the advent of the Nationalists in South Africa, the United States has assayed a "middle course," held there by alternating pulls from Africanists and Europeanists, human rights advocates and cold warriors, U.S. blacks and southerners, African and white regimes. While the situation changed, the arguments remained the same—with a few notable tilts, principally what the author sees as "active American attempts to halt black liberation in the 1970s."

AFRICA: THE PEOPLE AND POLITICS OF AN EMERGING CONTINENT. By Sanford J. Ungar. New York: Simon & Schuster, 1985, 527 pp. $19.95.

Mammoth, highly informative and readable, this important new survey seems destined to become the contemporary equivalent of *Inside Africa*. Ungar covers the countries of major interest to Americans—Liberia, Nigeria, Kenya and South Africa—in full-length portraits. He also provides vignettes of many others and thumbnail statistical profiles of all the countries of sub-Sahara Africa. The frankly downbeat assessment of Africa's prospects emerging from the individual studies is summed up in a broad-ranging overview drawing together political and economic trends. This useful book should be widely read.

NATO, THE WARSAW PACT AND AFRICA. By Christopher Coker. New York: St. Martin's, 1985, 302 pp. $32.50.

The best single book on this subject to date, Coker's study avoids well-worn arguments about the real degree of East-West competition in Africa and instead weaves together good analyses of several issues which are central for the respective sides: the extent of NATO cooperation with Portugal and South Africa; East European concern about access to southern Africa's minerals; the GDR's role in southern African security systems; the potential for concerted NATO alliance activity in Africa. Throughout, he explains why in almost every instance African governments continue to see Western intervention as a far greater threat than that of the Eastern bloc.

RIPE FOR RESOLUTION: CONFLICT AND INTERVENTION IN AFRICA. By I. William Zartman. New York: Oxford University Press, 1985, 260 pp. $24.95. A Council on Foreign Relations Book.

In this latest product of the Council on Foreign Relations' Africa project, Zartman fuses his sophisticated work on negotiation and conflict management with his vast knowledge of Africa to provide perceptive "guidelines for positive intervention" by outside powers in African conflicts which would manage rather than aggravate them. Four nicely wrought, hard-headed and balanced case studies on the Western Sahara, the Horn, the Shaba invasions, and Namibia stress that the causes of conflicts are primarily local, and that conflict management and possible resolution depend on the skillful perception, creation and use of "ripe moments." Useful suggestions abound for both external and African policymakers.

Thomas M. Callaghy

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE RISE AND DECLINE OF THE ZAIRIAN STATE. By Crawford Young and Thomas Turner. Madison: University of Wisconsin Press, 1985, 500 pp. $37.50.

This epic account of Zaïre's pillage by its president and his cohorts demonstrates how easy it is to destroy an economy but how hard to replace a regime which has eliminated virtually all alternatives to itself. The authors delineate the consequences of the *mal Zaïrois* in pushing beleaguered peasants into cities, limiting upward mobility to the elite, universalizing "kleptocracy," ending government services and maintenance of infrastructure. Their depiction of how Mobotu has used fat times and lean to consolidate his control is likely to prove the definitive word on Zaïre's leader and his country's dissolution.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SOURCE MATERIAL

Edited by Janet Rigney

I. DOCUMENTS

Documents may be procured from the following: *United States:* Gov't Printing Office, Superintendent of Documents, Washington, D.C. 20402. *United Nations, International Court of Justice:* United Nations, Sales Section, New York 10017. *United Nations Educational, Scientific and Cultural Org.* and *Food and Agric. Org.:* Unipub, Inc., P.O. Box 433, New York 10016. *Int. Labor Office:* 917 15th St., N.W., Washington, D.C. 20005. *European Communities:* 2100 M St., N.W., Washington, D.C. 20037. *Organization for Economic Cooperation and Development:* 1750 Pennsylvania Ave., N.W., Washington, D.C. 20006. Washington imprints are Government Printing Office, and congressional documents, unless otherwise noted, are for the 99th Congress. New York imprints are United Nations, unless otherwise noted.

Africa

ANTI-APARTHEID Act of 1985. Report, Committee on Conference, House, to accompany H.R. 1460, Aug. 1, 1985. Washington, 1985. 28 pp. (H.Rept. 99-242.)

CRISIS and recovery in Sub-Saharan Africa, ed. by Tore Rose. Paris, Development Centre, OECD, 1985. 335 pp.

ECONOMIC sanctions and their potential impact on U.S. corporate involvement in South Africa. Hearing, Subcommittee on Africa, Committee on Foreign Affairs, House, Jan. 31, 1985. Washington, 1985. 105 pp.

ISSUES affecting appropriations for the African Development Foundation. Report to the Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, Senate, by the U.S. General Accounting Office, May 7, 1985. Washington, U.S. General Accounting Office, 1985. 25 pp.

MOZAMBIQUE: a country study, ed. by Harold D. Nelson. Washington, G.P.O. (for the Foreign Area Studies, The American University), 3d ed., 1985. 342 pp.

Asia and the Pacific Ocean

CHINA'S economy and foreign trade, 1981–85, by Nai-Ruenn Chen and Jeffrey Lee. Washington, Office of the People's Republic of China and Hong Kong, International Trade Administration, U.S. Department of Commerce, 1984. 49 pp.

JAPAN. Paris, OECD, 1985. 117 pp. (OECD Economic Surveys.)

POLITICAL developments in Taiwan. Hearing and markup, Subcommittee on Asian and Pacific Affairs, Committee on Foreign Affairs, House, 98th Cong., 2d Sess., on H.Con.Res. 129, May 31, 1984. Washington, 1985. 163 pp.

SOUTHEAST Asia: problems and prospects. A conference sponsored by the Defense Intelligence College in association with The World Power and Pacific Program, The Center for Strategic and International Studies, Georgetown University, December 4–5, 1984. Washington, Defense Intelligence Analysis Center, Defense Intelligence College, 1985. 139 pp.

U.S. refugee program in Southeast Asia: 1985. Report, Subcommittee on Immigration and Refugee Policy, Committee on the Judiciary, Senate, Apr. 1985. Washington, 1985. 46 pp. (Com.Print 99-54.)

Commercial Policy and Trade

COMMODITY export prospects of Latin America, by Montague J. Lord. Washington, Economic and Social Development Department, Inter-American Development Bank, 1985. 73 pp.

EAST-WEST economic relations. Brussels, North Atlantic Assembly, 1984. 67 pp. (North Atlantic Assembly Papers.)

EXAMINING the competitive position of U.S. agriculture in the current world environment. Hearing, Subcommittee on Foreign Agricultural Policy, Committee on Agriculture, Nutrition, and Forestry, Senate, Feb. 7, 1985. Washington, 1985. 90 pp.

JAPANESE voluntary restraints on auto exports to the United States. Hearings, Subcommit-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tee on Trade, Committee on Ways and Means, House, Feb. 28–Mar. 4, 1985. Washington, 1985. 280 pp. (Ser. 99-1.)

PROPOSED United States-Israel Free Trade Agreement. Hearing, Committee on Finance, Senate, Mar. 20, 1985. Washington, 1985. 225 pp.

TRADE policies for a better future: proposals for action. Geneva, GATT, 1985. 60 pp. Sw.Fr.15.00.

UNITED States trade performance in 1984 and outlook. Washington, Office of Trade and Investment Analysis, International Trade Administration, U.S. Department of Commerce, 1985. 140 pp. $9.00.

DISARMAMENT

ARMS control and the atomic bomb: 40 years later. Hearing, Subcommittee on Arms Control, International Security and Science, Committee on Foreign Affairs, House, May 13, 1985. Washington, 1985. 64 pp.

FUNDAMENTALS of nuclear arms control. Part IV: Treaty compliance and nuclear arms control. Report, prepared for the Subcommittee on Arms Control, International Security and Science, Committee on Foreign Affairs, House, by the Congressional Research Service, Library of Congress, June 19, 1985. Washington, 1985. 23 pp. (Com.Print.)

EASTERN EUROPE

THE SOVIET economy: protection of the military sector in case of a protracted deterioration, by Peer Munkholt. Köln, Bundesinstitut für ostwissenschaftliche und internationale Studien, 1985. 79 pp. (Sonderveröffentlichung.)

SOVIET space programs: 1976–80 (with supplementary data through 1983); unmanned space activities. Pt. 3. Report, Committee on Commerce, Science, and Transportation, Senate, May 1985. Washington, 1985. pp. 749–1125.

THE SOVIET succession: implications for U.S. policy. Hearing, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House, Apr. 1, 1985. Washington, 1985. 63 pp.

ECONOMIC CONDITIONS

INDUSTRY and development global report 1985. N.Y., 1985. 296 pp. (E.85.II.B.1.) $23.00.

THE U.S. role in the international economy: the value of U.S participation in the multilateral development banks. Hearing, Subcommittee on International Development Institutions and Finance, Committee on Banking, Finance and Urban Affairs, House, Apr. 4, 1985. Washington, 1985. 65 pp. (Ser.No. 99-13.)

FINANCIAL POLICY

OVERSIGHT activities of the Export-Import Bank. Hearing, Committee on Banking, Housing, and Urban Affairs, Senate, Feb. 5, 1985. Washington, 1985. 161 pp.

FOREIGN AID AND UNDERDEVELOPED AREAS

FOREIGN assistance legislation for fiscal years 1986–87. Hearings and markup, Committee on Foreign Affairs, House, Feb. 19–Mar. 20, 1985. Washington, 1985. 4 pts.

THE LEAST developed countries: introduction to the LDCs and to the substantial new programme of action for them. N.Y., 1985. 157 pp. (TAD/INF/PUB/84.2.)

TO PROVIDE for a United States contribution to the Special Facility for sub-Saharan Africa administered by the International Development Association. Hearing, Subcommittee on International Development Institutions and Finance, Committee on Banking, Finance and Urban Affairs, House, Apr. 18, 1985. Washington, 1985. 142 pp. (Ser.No. 99-11.)

TO PROVIDE for increased participation by the United States in the International Bank for Reconstruction and Development, the International Finance Corporation, and the African Development Fund. Hearing, Subcommittee on International Development Institutions and Finance, Committee on Banking, Finance and Urban Affairs, House, Apr. 16, 1985. Washington, 1985. 40 pp. (Ser.No. 99-10.)

U.S. assistance to Haiti: progress made, challenges remain. Report to the Honorable Walter E. Fauntroy, House, by the U.S. General Accounting Office, June 12, 1985. Washington, U.S. General Accounting Office, 1985. 62 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

International Law

Law of the Sea: a select bibliography, comp. by the Office of the Special Representative of the Secretary General for the Law of the Sea. N.Y., 1985. 91 pp. (E.85.V.2.) $2.00.

Middle East

Developments in the Middle East, April 1985. Hearing, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House, Apr. 4, 1985. Washington, 1985. 31 pp.

Military Policy

Defense and the deficit: a review of defense spending and its relationship to national security. Hearing, Task Force on Defense and International Affairs, Committee on the Budget, House, Mar. 28, 1985. Washington, 1985. 85 pp. (Ser.No. 1-1.)

Department of Defense appropriations for 1986. Hearings, Subcommittee of the Committee on Appropriations, House, Feb. 27, 1985. Washington, 1985. 6 pts.

MX peacekeeper missile program, fiscal year 1986. Hearings, Subcommittee of the Committee on Appropriations, Senate, Mar. 7–8, 1985. Washington, 1985. 138 pp.

Raw Materials and Energy Resources

Review of the administration's proposal to impose an "indefinite moratorium" on the strategic petroleum reserve program. Hearing, Subcommittee of the Committee on Government Operations, House, Mar. 15, 1985. Washington, 1985. 143 pp.

Science and Technology

Science, technology, and American diplomacy, 1985. Sixth annual report submitted to the Congress by the President, July 1985. Washington, 1985. 204 pp. (Jt. Com. Print.)

United States

Foreign direct investment in the United States: completed transactions, 1974–1983. Washington, Office of Trade & Investment Analysis, International Trade Administration, U.S. Department of Commerce, 1985. 3 vols.

Foreign Relations Authorization Act, fiscal years 1986 and 1987. Report, Committee on Conference, House, to accompany H.R. 2068, July 30, 1985. Washington, 1985. 93 pp. (H.Rept. 99-240.)

International Security and Development Cooperation Act of 1985. Report, Committee of Conference, House, to accompany S.960, July 29, 1985. Washington, 1985. 166 pp. (H. Rept. 99-237.)

The Secretaries of Defense: a brief history, 1947–1985, by Roger R. Trask. Washington, Historical Office, Office of the Secretary of Defense, 1985. 75 pp.

Western Europe

Developments in Europe, March 1985. Hearing. Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House, Mar. 27, 1985. Washington, 1985. 46 pp.

The Economic role of women in the ECE region: developments 1975/85. N.Y., 1985. 94 pp. (E.85.II.E.20.) $12.50.

An Ever closer union: a critical analysis of the Draft Treaty Establishing the European Union, by Roland Bieber and others. Brussels, Commission of the European Communities (in cooperation with the European Policy Unit, European University Institute, Florence), 1985. 345 pp. (The European Perspectives Series.) $7.50.

Greece. Paris, OECD, 1984. 119 pp. (Reviews of National Science Policy.)

Swedish forces to aid Norway? The nordic security question 1948–49, by Jan-Erik Rådehed. Oslo, Research Centre for Defence History, National Defence College Norway, 1985. 29 pp. (FHFS Notat, 3/1985.)

The Third ACP-EEC Convention, signed at Lomé on 8 December 1984 and related documents. Luxembourg, Office for Official Publications of the European Communities, 1985. 579 pp. $4.50.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

WESTERN HEMISPHERE

COMPETITIVENESS and security: directions for Canada's international relations, by Joe Clark. Ottawa, Minister of Supply and Services Canada, 1985. 43 pp.

DEVELOPMENTS in Guatemala and U.S. options. Hearing, Subcommittee on Western Hemisphere Affairs, Committee on Foreign Affairs, House, Feb. 20, 1985. Washington, 1985. 81 pp.

HEARING on S.J.Res. 106—covert assistance to Nicaragua. Hearing, Subcommittee of the Committee on Appropriations, Senate, Apr. 18, 1985. Washington, 1985. 110 pp.

REPORT of the delegation to Latin America, of the Committee on Armed Services, House, Apr. 1985. Washington, 1985. 48 pp. (Com.Print No.5.)

SOVIET posture in the Western Hemisphere. Hearing, Subcommittee on Western Hemisphere Affairs, Committee on Foreign Affairs, House, Feb. 28, 1985. Washington, 1985. 81 pp.

TWENTY-SIXTH meeting of the Canada-United States Interparliamentary Group, May 16–19, 1985. Report by the chairman of the House of Representatives delegation, June 1985. Washington, 1985. 37 pp. (Com.Print.)

U.S. support for the Contras. Hearing, Subcommittee on Western Hemisphere Affairs, Committee on Foreign Affairs, House, Apr. 16–18, 1985. Washington, 1985. 374 pp.

II. OTHER PUBLICATIONS

ADELPHI PAPERS. London, The International Institute for Strategic Studies, 1985. $6.50 each.
197–199. New technology and Western security policy. 3 pts. (IISS Annual Conference Papers.) *200.* The prospects and implications on non-nuclear means for strategic conflict, by Carl H. Builder. 35 pp.

AGRICULTURE AND INTERNATIONAL RELATIONS: ANALYSIS AND POLICY. ESSAYS IN MEMORY OF THEODOR HEIDHUS, ed. by Hartwig de Haen and others. N.Y., St. Martin's Press, 1985. 306 pp.

AMERICAN DEFENSE ANNUAL,1985–1986, ed. by George E. Hudson and Joseph Kruzel. Lexington, Mass., Lexington Books (for the Mershon Center, The Ohio State University), 1985. 277 pp. $13.95.

ANDREW CARNEGIE'S PEACE ENDOWMENT: THE NINETEEN EIGHTIES. Washington, D.C., Carnegie Endowment for International Peace, 1985. 70 pp.

ARMS CONTROL FACT BOOK, comp. by Dennis Menos. Jefferson, N.C., McFarland & Co., 1985. 140 pp. $15.95.

EL ATLÁNTICO SUR: UN ESTUDIO POLÍTICO-ESTRATÉGICO, by Alberto Míguez. Madrid, Instituto de Cuestiones Internacionales, 1984. 171 pp.

BEHIND THE HEADLINES. Toronto, Canadian Institute of International Affairs, 1985. $1.25 each.
Vol. XLII, No. 4. China at thirty-five: reform, readjustment, and reorientation, by Paul Evans and David Zweig. 26 pp. *Vol. XLII, No. 5.* The bold troika: some aspects of East/West relations, by Geoffrey A.H. Pearson. 15 pp. *Vols. XLII, No. 6/XLIII, No. 1.* Canadian foreign policy: comments on the Green Papers. 74 pp.

BEWEGUNG IN DER DEUTSCHEN FRAGE? DIE AUSLÄNDISCHEN BESORGNISSE ÜBER DIE ENTWICKLUNG IN DEN BEIDEN DEUTSCHEN STAATEN, by Eberhard Schulz and Peter Danylow. Bonn, Forschungsinstitut der Deutschen Gesellschaft für Auswärtige Politik, 2d rev. ed., 1985. 224 pp. (Arbeitspapiere zur internationalen Politik, 33.) DM.12.00.

BIBLIOGRAPHY ON SOVIET INTELLIGENCE AND SECURITY SERVICES, by Raymond G. Rocca and John J. Dziak. Boulder, Colo., Westview Press, 1985. 203 pp. (A Westview Special Study.) $16.00.

BRETTON WOODS: A RETROSPECTIVE ESSAY, by Robert W. Oliver. Santa Monica, Ca., California Seminar on International Security and Foreign Policy, 1985. 79 pp. (Discussion Papers, 105.)

THE BUREAUCRATIC STRUGGLE FOR CONTROL OF U.S. FOREIGN AID: DIPLOMACY VS. DEVELOPMENT IN SOUTHERN AFRICA, by Caleb Rossiter. Boulder, Colo., Westview Press, 1985. 250 pp.

THE CAMBRIDGE ENCYCLOPEDIA OF LATIN AMERICA AND THE CARIBBEAN, ed., by Simon Collier and others. N.Y., Cambridge University Press, 1985. 456 pp.

CAMPAIGNS AGAINST WESTERN DEFENCE: NATO'S ADVERSARIES AND CRITICS, by Clive Rose. N.Y., St. Martin's Press, 1985. 318 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CASUALTIES, PUBLIC OPINION, AND PRESIDENTIAL POLICY DURING THE VIETNAM WAR, by Mark Lorell and Charles Kelley, Jr. Santa Monica, Ca., The Rand Corporation, 1985. 92 pp. (A Project Air Force Report.)

CHRONOLOGICAL HISTORY OF UNITED STATES FOREIGN RELATIONS, 1776 TO JANUARY 20, 1981, by Lester H. Brune. N.Y., Garland Publishing, Inc., 1985. 2 vols.

THE COMMUNIST MOVEMENT IN PALESTINE AND ISRAEL, 1919–1984, by Sondra Miller Rubenstein. Boulder, Colo., Westview Press, 1985. 419 pp.

CONGRESS, THE PRESIDENCY, AND THE TAIWAN RELATIONS ACT, ed. by Louis W. Koening, James C. Hsiung and King-yuh Chang. N.Y., Praeger (under the auspices of the Contemporary U.S.-Asia Research Institute), 1985. 201 pp. (Praeger Special Studies.)

CONTADORA AND THE CENTRAL AMERICAN PEACE PROCESS: SELECTED DOCUMENTS, ed. by Bruce Michael Bagley and others. Boulder, Colo., Westview Press (with the Foreign Policy Institute, School of Advanced International Studies, The Johns Hopkins University), 1985. 297 pp. $27.00.

CONTEMPORARY NORTH AFRICA: ISSUES OF DEVELOPMENT AND INTEGRATION, ed. by Halim Barakat. Washington, Center for Contemporary Arab Studies, 1985. 271 pp.

A CONTINENT APART: THE UNITED STATES AND CANADA IN WORLD POLITICS, by William T.R. Fox. Toronto, University of Toronto Press, 1985. 188 pp.

COUNTRIES OF THE WORLD AND THEIR LEADERS YEARBOOK: SUPPLEMENT. Detroit, Mich., Gale Research Co., 1985. 412 pp.

THE COURSE OF AMERICAN DIPLOMACY: FROM THE REVOLUTION TO THE PRESENT, by Howard Jones. N.Y., Franklin Watts, 1985. 639 pp. $24.95.

LA DÉFENSE DE LA FRANCE: INDÉPENDENCE & SOLIDARITÉ, by Andrée Martin-Pannetier. Paris, Charles-Lavauzelle, 1985. 334 pp.

DEMOCRACY IN THE ISLANDS: THE MICRONESIAN PLEBISCITES OF 1983, by Austin Ranney and Howard R. Penniman. Washington, American Enterprise Institute for Public Policy Research, 1985. 126 pp. (AEI Studies, 420.)

DETERRENCE IN THE 1980S: CRISIS AND DILEMMA, ed. by R.B. Byers. N.Y., St. Martin's Press, 1985. 235 pp.

THE DISMANTLING OF THE GOOD NEIGHBOR POLICY, by Bryce Wood. Austin, Texas, University of Texas Press, 1985. 290 pp.

EAI PAPERS. Marina del Rey, Ca., The European American Institute for Security Research, 1985.

9. Soviet relations with the northern tier in East Europe, by James F. Brown. 72 pp. *10.* East Europe and Soviet leadership contention: implications for the West, by Harry Gelman. 19 pp.

EAST EUROPEAN HANDBOOK. London, Euromonitor Publications Limited, 1985. 324 pp.

ECONOMIC LIBERALISM IN THE CONE OF LATIN AMERICA, by T.G. Congdon. London, Trade Policy Research Centre, 1985. 119 pp. £5.00.

THE ECONOMICS OF SOVIET ARMS, by Peter Wiles and Moshe Efrat. London, Suntory Toyota International Centre for Economics and Related Disciplines, London School of Economics and Political Science, 1985. v.p. (STICERD Occasional Papers, 7.)

THE ECONOMICS OF THE CARIBBEAN BASIN, ed. by Michael Connolly and John McDermott. N.Y., Praeger, 1985. 355 pp. (Praeger Special Studies.)

THE ECONOMICS OF THE OIL CRISIS: THEORIES OF OIL CRISIS, OIL RENT, AND INTERNATIONALIZATION OF CAPITAL IN THE OIL INDUSTRY, by Cyrus Bina. N.Y., St. Martin's Press, 1985. 146 pp. $29.95.

EIN DRITTER WEG ZWISCHEN DEN BLÖCKEN? DIE WELTMÄCHTE, EUROPA UND DER EUROKOMMUNISMUS, ed. by Heinz Gärtner and Günter Trautman. Wien, Verlag für Gesellschaftskritik (for the Österreichisches Institut für Internationale Politik), 1985. 406 pp.

EL EMPRESARIADO VENEZOLANO Y EL PACTO ANDINO: HISTORIA DE LA POSICIÓN DE FEDECÁMARAS, by Manuel Urriza. Caracas, Instituto de Altos Estudios de America Latina, Universidad Simon Bolivar, 1984. 169 pp.

ETHICS, DETERRENCE, AND NATIONAL SECURITY, by James E. Dougherty and others. Washington, Pergamon-Brassey's International Defense Publishers (in cooperation with the Institute for Foreign Policy Analysis), 1985. 95 pp. $9.95.

THE EUROPA YEAR BOOK 1985: A WORLD SURVEY. London, Europa Publications Ltd., 1985. 2 vols. (Distributed by Gale Research Co., Detroit, Mich.) $210.00.

EUROPE AND LATIN AMERICAN IN THE WORLD ECONOMY, ed. by Colin I. Bradford, Jr. New Haven, Conn., Yale Center for International and Area Studies, Yale University, 1985. 129 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE FIRST THATCHER GOVERNMENT, 1979–1983: CONTEMPORARY CONSERVATISM AND ECONOMIC CHANGE, by Martin Holmes. Boulder, Colo., 1985. 238 pp.

FORGOTTEN ALLIES: THE MILITARY CONTRIBUTION OF THE COLONIES, EXILED GOVERNMENTS, AND LESSER POWERS TO THE ALLIED VICTORY IN WORLD WAR II, by J. Lee Ready. Jefferson, N.C., McFarland & Co., 1985. 2 vols.

GUESTS COME TO STAY: THE EFFECTS OF EUROPEAN LABOR MIGRATION ON SENDING AND RECEIVING COUNTRIES, ed. by Rosemarie Rogers. Boulder, Colo., Westview Press, 1985. 344 pp. (Westview Special Studies in International Migration.)

HANDBOOK ON KOREAN-U.S. RELATIONS: CENTENNIAL EDITION, ed. by Yong Soon Yim. N.Y., The Asia Society, 1985. 448 pp.

THE HORN OF AFRICA—OLD PROBLEMS AND NEW OPPORTUNITIES, by Sara Pienaar. Braamfontein, The South African Institute of International Affairs, 1985. 11 pp. (Occasional Paper.)

THE ILLOGIC OF AMERICAN NUCLEAR STRATEGY, by Robert Jervis. Ithaca, N.Y., Cornell University Press, 1984. 203 pp. (Cornell Studies in Security Affairs.)

INFLUENCING MASS POLITICAL BEHAVIOR: ELITES AND POLITICAL SUBCULTURES IN THE NETHERLANDS AND AUSTRIA, by Joseph J. Houska. Berkeley, Ca., Institute of International Studies, University of California, 1985. 198 pp. (Research Series, 60.) $11.50.

IRELAND: A DIRECTORY, 1985, Dublin, Institute of Public Administration, 1984. 399 pp.

JAPAN AND EUROPE: TOWARDS CLOSER COOPERATION; PROCEEDINGS OF THE EUROPEAN-JAPAN CONFERENCE IN EBENHAUSEN, WEST GERMANY, APRIL 1983, Tokyo, The Japan Center for International Exchange, 1984. 87 pp. (The JCIE Papers.)

JAPAN AS CAPITAL EXPORTER AND THE WORLD ECONOMY, by Masaru Yoshitomi. N.Y., Group of Thirty, 1985. 32 pp. (Occasional Papers, 18.)

JAPAN'S NEW WORLD ROLE, ed. by Joshua D. Katz and Tilly C. Friedman-Lichtschein. Boulder, Colo., Westview Press, 1985. 190 pp.

THE LAST EUROPEAN PEACE CONFERENCE: PARIS 1946—CONFLICT OF VALUES, by Stephen Kertesz. N.Y., University Press of America, 1985. 192 pp. (The Credibility of Institutions, Policies and Leadership, 10.)

LATIN AMERICA AND THE WORLD RECESSION, ed. by Esperanza Durán. N.Y., Cambridge University Press (in association with The Royal Institute of International Affairs), 1985. 162 pp.

A LAYMAN'S GUIDE TO THE LEBANESE CONFLICT, by Marianne Heiberg. Oslo, Norsk Utenrikspolitisk Institutt, 1985. 17 pp. (NUPI Notat, 319.)

LIBERAL PROTECTIONISM: THE INTERNATIONAL POLITICS OF ORGANIZED TEXTILE TRADE, by Vinod K. Aggarwal. Berkeley, Ca., University of California Press, 1985. 302 pp.

MIDDLE EAST LEGAL SYSTEMS, by S.H. Amin. Glasgow, Royston Limited, 1985. 434 pp.

THE MODERN MEXICAN MILITARY: IMPLICATIONS FOR MEXICO'S STABILITY AND SECURITY, by David Ronfeldt. Santa Monica, Ca., The Rand Corporation (for The Ford Foundation), 1985. 51 pp.

MORALISM AND MORALITY IN POLITICS AND DIPLOMACY: THE CREDIBILITY OF INSTITUTIONS, POLICIES AND LEADERSHIP. VOL. 1, by Kenneth W. Thompson. N.Y., University Press of America, 1985. 159 pp.

NATIONAL SECURITY AND STRATEGIC MINERALS: AN ANALYSIS OF U.S. DEPENDENCE ON FOREIGN SOURCES OF COBALT, by Barry M. Blechman. Boulder, Colo., Westview Press (in cooperation with The Center for Strategic and International Studies, Georgetown University), 1985. 96 pp. $14.50.

NATO DETERRENCE DOCTRINE: NO WAY OUT, by Richard K. Betts. Los Angeles, Ca., Center for International and Strategic Affairs, University of California, 1985. 78 pp. (CISA Working Papers, 51.)

THE NUCLEAR DILEMMA: A SEARCH FOR CHRISTIAN UNDERSTANDING: A DRAFT REPORT OF THE COMMITTEE OF INQUIRY ON THE NUCLEAR ISSUE. Washington, Commission on Peace, Episcopal Diocese of Washington, 1985. 120 pp. $3.00.

PAMPHLETS. Taipei, World Anti-Communist League, 1985. $2.00 each.

282. Spiritual pollution: Red China's deepening faith crisis, by Hsuan Mo. 56 pp. *284.* Red China's foreign policy at the present stage, by Yin Ching-yao. 60 pp. *285.* Northeast Asia, by Chu Sung-po. 46 pp. *286.* Mainland China's population and social problems, by Fang Shan. 52 pp.

PERSPECTIVES OF THE ROLE OF NORWEGIAN GAS, by Janne Haaland Matlary. Oslo, Norsk Utenrikspolitisk Institutt, 1985. 21 pp. (NUPI Notat, 322.)

POLAND AFTER SOLIDARITY: SOCIAL MOVEMENTS VERSUS THE STATE, ed. by Bronislaw Misztal. New Brunswick, N.J., Transaction Books, 1985. 167 pp. $19.95.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE POLITICAL ECONOMY OF U.S. POLICY TOWARD SOUTH AFRICA, by Kevin Danaher. Boulder, Colo., Westview Press, 1985. 231 pp. $30.00.

POWER AND POLICY IN THE PRC, ed. by Yu-ming Shaw. Boulder, Colo., Westview Press (in cooperation with The Asia and World Institute, Taipei, Republic of China), 1985. 370 pp. (Westview Special Studies on East Asia.) $32.50.

THE PRESIDENT, THE CONGRESS, AND FOREIGN POLICY, by the Joint Working Group of the United States Association of Former Members of Congress and The Atlantic Council of the United States. Washington, The Atlantic Council of the United States, 1985. 34 pp. (Political Series.)

PUBLIC IMAGES OF WESTERN SECURITY, by Gregory Flynn and others. Paris, The Atlantic Institute for International Affairs, 1985. 92 pp. (The Atlantic Papers, 54/55.)

THE REAGAN STRATEGIC DEFENSE INITIATIVE: A TECHNICAL, POLITICAL, AND ARMS CONTROL ASSESSMENT, by Sydney D. Drell and others. Cambridge, Mass., Ballinger Publishing Co. (for the Center for International Security and Arms Control, Stanford University), 1985. 152 pp.

REDUCING THE RISK OF NUCLEAR WAR: GENEVA CAN BE A GIANT STEP TOWARD A MORE SECURE TWENTY-FIRST CENTURY, by Robert S. McNamara and Hans S. Bethe. Washington, The Authors, 1985. 14 pp.

RESEARCH REPORT SERIES. La Jolla, Ca., Center for U.S.-Mexican Studies, University of California, San Diego, 1985.

14. U.S. Mexican trade relations: from the generalized system of preferences to a formal bilateral trade agreement, by Gustavo del Castillo V. 25 pp. *34.* The Mexican Revolution and the Anglo-American powers: the end of confrontation and the beginning of negotiation, by Lorenzo Meyer. 40 pp.

RESOURCE REVIEW FOR THE U.S.-JAPAN ECONOMIC AGENDA: AN ANNOTATED BIBLIOGRAPHY OF REPORTS AND PUBLICATIONS, 1980–1985, WITH A LIST OF ORGANIZATIONS INVOLVED IN U.S.-JAPAN TRADE PROBLEMS, comp. by Richard Sorich. N.Y., The U.S.-Japan Economic Agenda, Council on Religion and International Affairs, 1985. 88 pp.

THE ROLE OF ARAB POLITICAL CULTURE AND HISTORY IN THE CONFLICT WITH ISRAEL, by Arnold M. Soloway. N.Y., Center for Near East Policy Research, 1985. 48 pp. (Problems of Middle East Peace Making: Study Papers, 1.)

ROMANIA: 40 YEARS (1944–1984), ed. by Vlad Georgescu. N.Y., Praeger (with The Center for Strategic and International Studies, Georgetown University), 1985. 97 pp. (The Washington Papers, 115.)

ROOTS OF FAILURE: UNITED STATES POLICY IN THE THIRD WORLD, by Melvin Gurtov and Ray Maghroori. Westport, Conn., Greenwood Press, 1984. 224 pp. (Contributions in Political Science, 108.)

SAFEGUARDING THE ATOM: A CRITICAL APPRAISAL, by David Fischer and Paul Szasz. Philadelphia, Taylor & Francis (for the Stockholm International Peace Research Institute), 1985. 243 pp.

SDI: THE CASE FOR THE DEFENCE, by Alun Chalfont. London, Alliance Publishers Ltd. (for the Institute for European Defence & Strategic Studies), 1985. 51 pp. (Occasional Papers, 12.) $8.00.

SEEING AMERICAN FOREIGN POLICY WHOLE, by Brewster C. Denny. Urbana, Ill., University of Illinois Press, 1985. 200 pp.

THE SIBERIAN GAS PIPELINE DISPUTE: U.S. POLICY AND EUROPEAN INTERESTS, by Robert-Jan H.M. Smits. Geneva, Institut Universitaire de Hautes Études Internationales, 1985. 140 pp.

SMALL STATES IN WORLD MARKETS: INDUSTRIAL POLICY IN EUROPE, by Peter J. Katzenstein. Ithaca, N.Y., Cornell University Press, 1985. 268 pp. (Cornell Studies in Political Economy.)

SOCIALISM AND DEMOCRACY IN HUNGARY: SPEECHES, ARTICLES, INTERVIEWS, 1957–1982, by János Kádár. Budapest, Corvina Kiadó, 1984. 441 pp.

SOUTH AFRICA 1984, by Dennis Austin. Boston, Routledge & Kegan Paul (for The Royal Institute of International Affairs), 1985. 80 pp. (Chatham House Papers, 26.)

THE SOVIET CONNECTION: STATE SPONSORSHIP OF TERRORISM, by Jillian Becker. London, Alliance Publishers (for the Institute for European Defence & Strategic Studies), 1985. 55 pp. $8.00.

THE SOVIET STRATEGY OF TERROR, by Samuel T. Francis. Washington, The Heritage Foundation, rev. ed., 1985. 100 pp. (Critical Issues.) $6.95.

THE SOVIET UNION AND CENTRAL EUROPE IN THE POST-WAR ERA: A STUDY IN PRECARIOUS SECURITY, by Kristian Gerner. N.Y., St. Martin's Press, 1985. 228 pp.

THE SOVIET UNION: CHALLENGES AND RESPONSES AS SEEN FROM THE EUROPEAN POINT OF

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

VIEW, by Helmut Schmidt. Singapore, Institute of Southeast Asian Studies, 1984. 35 pp. (Distributed by Gower Publishing Co., Brookfield, Vt.)

THE SOVIET UNION: SECURITY POLICIES AND CONSTRAINTS, ed. by Jonathan Alford. N.Y., St. Martin's Press (for the International Institute for Strategic Studies), 1985. 179 pp.

SPEAKING TO THE THIRD WORLD: ESSAYS ON DEMOCRACY AND DEVELOPMENT, by Peter L. Berger and Michael Novak. Washington, American Enterprise Institute for Public Policy Research, 1985. 58 pp. (AEI Studies, 425.)

THAILAND IN TRANSITION: THE ROLE OF OPPOSITIONAL FORCES, by Ross Prizzia. Honolulu, University of Hawaii Press (for the Center for Asian and Pacific Studies, University of Hawaii), 1985. 125 pp. (Asian Studies at Hawaii, 32.)

U.S. AID TO THE DEVELOPING WORLD: A FREE MARKET AGENDA, ed. by Doug Bandow. Washington, The Heritage Foundation, 1985. 152 pp. (Critical Issues.) $8.00.

U.S. FOREIGN POLICY IN THE CARIBBEAN, CUBA, AND CENTRAL AMERICA, by James N. Cortada and James W. Cortada. N.Y., Praeger, 1985. 251 pp. (Praeger Special Studies.)

VÄRLDSPOLITIKENS DAGSFRÅGOR, Stockholm, Utrikespolitiska Institutet, 1985. Kr.24.00 each.
3. Felipe Gonzalez' Spanien, by Jan-Olof Pettersson. 31 pp. *4.* Världen, väst, vi, by Kurt Samuelsson. 30 pp. *5.* Svenska hotbilder, by Hans-Henrik Rönnow. 31 pp. *6–7.* Japan—40 år efter Hiroshima, by Per Jönsson. 63 pp.

THE VIETNAM WAR: AN ALMANAC, ed. by John S. Bowman. N.Y., World Almanac Publications, 1985. 512 pp. $24.95.

WESTERN EUROPEAN ENERGY POLICIES: A COMPARATIVE STUDY OF THE INFLUENCE OF INSTITUTIONAL STRUCTURE ON TECHNICAL CHANGE, by Nigel Lucas. Oxford, Clarendon Press, 1985. 208 pp.

WESTERN SAHARA: A COMPREHENSIVE BIBLIOGRAPHY, by Lynn F. Sipe. N.Y., Garland Publishing, Inc., 1984. 418 pp.

THE WORLD'S LARGEST INDUSTRIAL ENTERPRISES, 1962–1983, by John H. Dunning and Robert D. Pearce. N.Y., St. Martin's Press, 1985. 186 pp. $65.00.

WORLDWATCH PAPERS. Washington, Worldwatch Institute, 1985. $4.00 each.
65. Reversing Africa's decline, by Lester R. Brown and Edward C. Wolf. 81 pp. *66.* World oil: coping with the dangers of success, by Christopher Flavin. 66 pp. *67.* Conserving water: the untapped alternative, by Sandra Postel. 66 pp.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The multinational approach to employee benefits

The AREA Benefits Network can help you manage your international employee Benefit programs—simply and cost effectively.

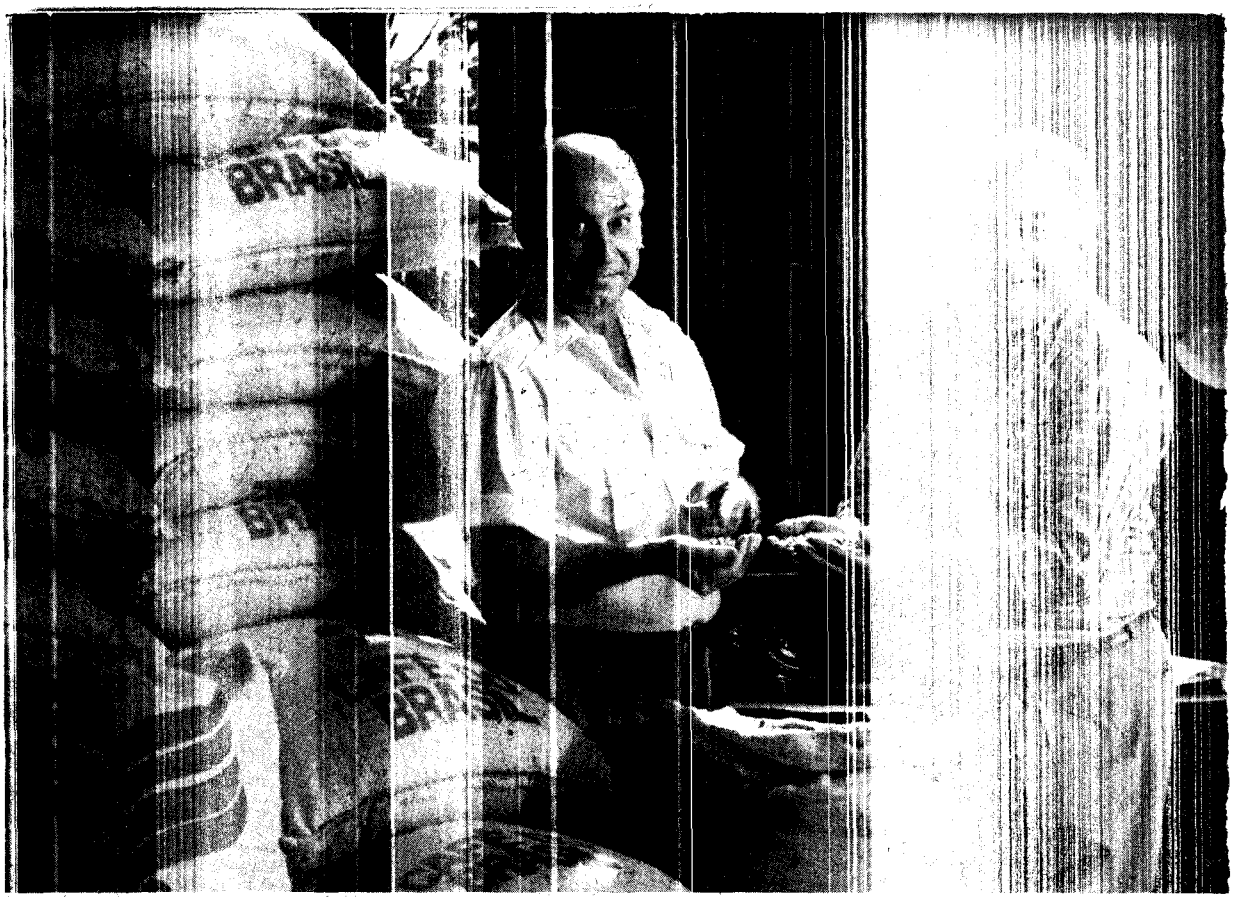
AREA provides world-wide experience in all forms of employee benefits as well as fast service, flexible plan design and creative funding alternatives.

For more information write or call:

AREA
BENEFITS NETWORK
Secretariat:
Boulevard du Souverain, 25
1170 Brussels, Belgium
Tel. 322 6606613
23000 RBASS

AREA
BENEFITS NETWORK
1166 Avenue of Americas
New York, New York 10036
212-302-5515

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



In our trade disputes with Europe and Japan, we tend to forget or overlook the developing countries.

Yet, today, it's the developing countries that account for more than a third of U.S. exports.

The trouble is, some of these countries are poor, often in debt, and feeling the pressure from low raw material prices. They face many obstacles in selling their few basic commodities in recessionary and protectionist times. What's more, they may lack the foreign exchange necessary to purchase our products. That's one reason we can't expect them to buy from us if we don't buy from them.

The fact is, ample markets in these developing countries will exist only when they can recover their economic health. In this regard, western aid programs are not enough.

Today, the industrialized world must band together to alleviate the financial burdens of the developing countries, to restructure their debts, and to establish new measures to prevent further destabilization. We must jointly agree to open new markets through such programs as the Caribbean Basin Initiative and the Generalized System of Preferences for developing countries.

In a coordinated effort, all of [illegible] these countries [illegible] and other basic commodities for our national stockpiles. In this way, we begin to help rebuild their economies and re-establish their purchasing powers.

Over the years, the relationship between financial stability and trade has been clearly established. And in a financially healthy world, the developing and the developed will benefit alike. In the final analysis, we need each other.

Continental Grain Company, 277 Park Avenue, New York, NY 10172.

Continental Grain

They grow coffee. We grow wheat. That's why we need each other.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED